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ABSTRACT

Facing severe budget reductions in 1991 despite institutional restructuring in response to budget cuts in the mid-80s, the Chancellor's Ad Hoc Budget Planning Group at the University of Alaska Fairbanks (UAF) proposes a process for fiscal change while aiming to retain institutional excellence. A first section states the current problem, reviews planning and budget theory, and looks at how other institutions have responded to similar problems. "Section II: Assessing UAF's Budget Responses During Restructuring" examines the restructuring of the University of Alaska System in the mid-80s assessing results and UAF's budget responses. Included is a detailed historical overview of the process, and a description of the budget reduction strategies for fiscal years '86, '87, '88. Section Three lists factors which affect UAF's management flexibility and revenue diversification. A final section proposes steps to be taken: (1) institution-wide actions and review of programs and support services; (2) cuts and reallocation on support services; (3) retrenchment and reallocation in academic programs. Each of these steps is described with detailed suggestions on implementation. Included are four appendices: UAF fiscal year budget reductions for 1986, 1987, and 1988, and a list of cost cutting suggestions developed by a 1986 task force. A bibliography included about 45 references. (JB)

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INSTITUTIONAL APPROACHES TO FISCAL CHANGE: ISSUES AND ELEMENTS

prepared by:

CHANCELLOR'S AD HOC BUDGET PLANNING GROUP

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February 27, 1991

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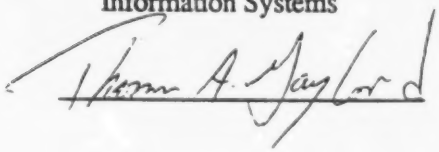

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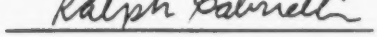

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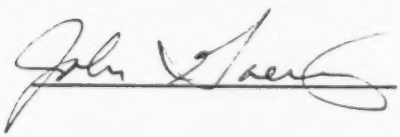

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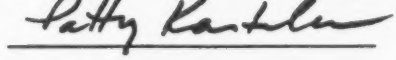

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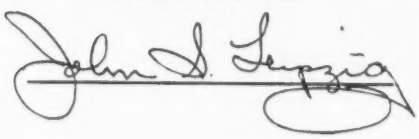

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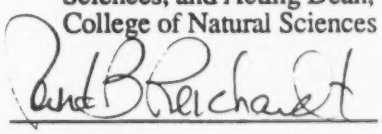

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I. INTRODUCTION

In late 1985 and early 1986, world oil prices collapsed. Oil fell from $28 per barrel in January, 1986, to below $10 per barrel in August, 1986. In a short period of time, the State of Alaska, whose budget was more than 86 percent dependent upon the price of oil, saw its total state revenues drop by more than one-third. The governor and state legislature were forced to curtail state spending several times. For the University of Alaska System, falling state oil revenues brought budget cuts -- fourteen percent in FY87, and another planned fifteen percent reduction scheduled for FY88. The FY86-87 budget cuts were the largest peacetime reductions ever faced by the university system in its history (TABLE 1).

Spurred by real FY87 and proposed FY88 budget cuts, in early December, 1986, the Board of Regents approved an institutional restructuring plan. The plan called for the merger of eleven community colleges with three universities into three multi-campus institutions. The plan realigned statewide programs in vocational-technical education, fisheries and ocean sciences, international business, and rural higher educational delivery. The plan called for the merger of a unionized community college teaching faculty with a non-unionized university faculty. The plan anticipated termination of nearly one hundred administrators and an additional five percent cut in system costs without significant impact on program delivery. Reactions to the plan spawned litigation, legislation, arbitration, and a voter initiative. The overriding purpose of the plan was, however, to better position public higher education to meet the needs of Alaska within emerging long-term fiscal constraints.

The Problem

For all that it did accomplish, restructuring did not result in the university system changing the fundamental way it approached budget reductions or reallocations during the remainder of the decade. Four years after restructuring, no reviews of an institution's role, mission, and programs are currently part of an ongoing budget and management process; reviews that would enable an institution to identify areas in which long-term reductions or reallocations may be necessary. Ironically, this institution finds itself in 1991 once again facing a potentially severe budget reduction to a large degree lacking the same strategic processes, quantitative assessments, and reduction and reallocation models it did in 1986. How will UAF respond to the immediate situation, how will it better prepare itself for future fiscal crises, and how can it be sure that what short-term actions it takes now won't create long-term harm to the institution and the constituents it serves? To address these basic questions, the Chancellor formed an Ad Hoc Budget Planning Group and asked for a preliminary response on how more suitable planning and budgeting systems could be developed to address current and future fiscal conditions of the institution.

TABLE 1. UA/UAF Appropriation History (x $1,000)

		UA General Fund Budget	GF Yearly % Change	UAF General Fund Budget	GF Yearly % Change	HEPI Yearly % Change
FY85	Authorized	$168,308.1	2.4%	---	---	5.9%
FY86	Authorized	167,831.7	-0.3%	$81,661.9	---	4.2%
FY87	(Revised) Authorized	143,741.3	-14.4%	75,055.6	-8.1%	4.0%
FY88	(Revised) Authorized	146,511.0	1.9%	69,360.1	-7.6%	4.5%
FY89	(Revised) Authorized	154,360.4	5.4%	75,743.8	9.1%	6.2%
FY90	(Revised) Authorized	161,014.6	4.3%	79,443.9	4.9%	est. 6.1%
FY91	Authorized	164,324.6	2.0%	81,845.2	3.0%	est. 6.0%
FY92	Governor's Request	152,634.9	-7.1%	---	---	est. 5.0%

Sources: University of Alaska FY92 Operating and Capital Budget Request, Statewide Budget Office, 1990.
UA Operating Budget Request Comparison : BOR and Governor, Statewide Budget Office, 1991.

Three corollary problems to developing a more suitable UAF planning and budgeting system need to be addressed, the following two of which were highlighted in the Northwest Association of Schools and Colleges' Evaluation Committee Report for University of Alaska Fairbanks (1990):

1. Careful planning and adequate budgets are needed if UAF is to meet the expectations of its new mission statement. (p.4)

2. It seems the comprehensive institutional planning recommended by the 1984 Evaluation Committee is still warranted. To satisfy the intent of this recommendation the Committee believes both a process for planning and planning priorities must be clearly identified by every major unit of the University. (pp. 62-63)

The second problem is particularly relevant in view of the results from the 1990 Faculty Opinion Survey. Results indicated only one percent of the faculty were highly satisfied with their participation in determining unit operating budget priorities, while over sixty percent were dissatisfied or very dissatisfied (Gaylord, 1990, p. 53).

The third problem has do do with how "planning" as an activity has been viewed historically at the institution. Whenever the term planning is mentioned in higher education, there is often an outcry concerning the futility of such an activity. In outlining what he defined as a "comprehensive institutional planning process" to address this concern, Lasher (1978) stated that three basic perceptions of, or reactions to, the planning process in higher education exist. One group of executive administrators and academicians immediately think of a procedure called long-range planning in which scholarly committees meet to ponder the future of the institution, its problems and to make recommendations to solve these problems. As a rule, the procedure requires enormous amounts of time with thorough discussion on even the smallest of details. The usual result is a report, the long-range plan, which is produced with great fanfare only to be relegated to the bookshelf. Frequently, long-range planning activities focus on academic goals and problems with only the slightest reference to the institution's future financial condition and even less consideration of the implications to facilities, equipment and the operating environment.

To another group of administrators, planning immediately conjures up images of a statewide master plan with every conceivable detail quantified and presented with extreme precision. They fear that planning for every possible occurrence will restrict their options to a point where they can only act if the option is within the constraints of the plan. The issue of how far planning and coordination can go while institutional autonomy and diversity are maintained was addressed in an early study by Moos and Rourke (1959). They warned that "a tightly coordinated system of higher education can leach quality and originality out of state colleges and universities" (pp. 225-226). Related to this is the feeling that if individual or unit plans are made known to central administrators, somehow the information will be used to hurt or further control the unit (WAMI, AEIDC). As Miller (1971) also cautioned, those that engage in the planning process must be sensitive to the fact that planning might

> *...represent a threat to some people: most people don't like to plan since good planning tends to expose, and few people like to be exposed. (p.154)*

A third group of administrators flatly reject the notion of planning asserting that it is inappropriate and irrelevant to higher education. They argue that, because the institution's environment is so unstable and because it is impossible to know what will happen next, one can do little more than react to situations as they occur. They also argue, however, that it is important to be ready to take advantage of opportunities which come up unexpectedly (Lasher, 1978, p.1).

What the preceding indicates is that planning and budgeting processes are defined in so many ways and the activities/results associated with them are perceived so differently that meaningful communication about any planning and budgeting undertaking is severely handicapped from the onset. Therefore, before focusing upon process recommendations for an internal UAF integrated planning and budgeting approach, a brief review of planning approaches and what other institutions have done is outlined below.

Planning and Budgeting Approaches

In broad terms, an integrated planning and budgeting process can be defined as an ongoing, dynamic process through which decisions about future courses of action concerning the academic, physical, and financial condition of an institution are prepared and made. The process is long-ranged, speculative and estimate-based and, by a practical necessity, political. It provides a vehicle for consistently assessing the mission, goals, and objectives of an institution. An organized planning process can provide decision makers with the flexibility to respond to events in alternative ways. Integrated planning and budgeting also provides for constant evaluation and the measurement of performance. As such, the process is "results oriented". The comprehensive and integrated nature of the process engenders and, in fact, causes ongoing communication within an organization. If properly nurtured, such a process results in improved success and respect for the many activities performed in a diverse institution such as UAF.

Overall, planning and budgeting processes incorporate the following steps:

1. Educational needs and goals - state, local, and institutional - are identified, evaluated, modified and documented.

2. Missions and policies are defined and prepared.

3. Educational programs and methods are conceived and organized.

4. Financial support and accountability measures are defined.

5. Specific plans are developed, evaluated, and modified in an ongoing basis.

6. Institutional research and planning efforts are directed toward identifying future conditions and preparing responses for them (adapted from Foundation of Oregon Research and Education, 1978).

Roughly paralleling Lasher's three basic perceptions of the planning process in higher education mentioned above, three major approaches toward identifying future conditions have been devised by Ziegler (1972). They are the preventive, adaptive, and inventive approaches. The preventive approach, the most widely used, is characterized by a lack of effort to examine the unanticipated consequences of intervention and to relate forecasts to a comprehensive analysis of other interacting variables. The future is considered an extrapolation of the past. In the second approach, the adaptive approach, immediate actions are taken to adapt to the forecasts made. The third planning approach is the inventive approach. One principal characteristic of the inventive approach is the recognition that the future is not a predetermined extrapolation of the past, but rather consists of an array of alternative futures which can be explained in some detail. Another characteristic is the recognition that it is both possible and desirable to intervene creatively in the present to bring about a more desirable future (p. 8).

The approach taken to identify future conditions, whether it be preventive (linear), adaptive, or inventive (interpretive to expressive) has been one basis used to differentiate short-, medium, and long-range planning. TABLE 2, adapted from Jarupanich (1978, p. 28), presents a more complete breakdown of planning type by planning characteristic.

TABLE 2. Characteristics of Long-, Medium, and Short-Range Planning

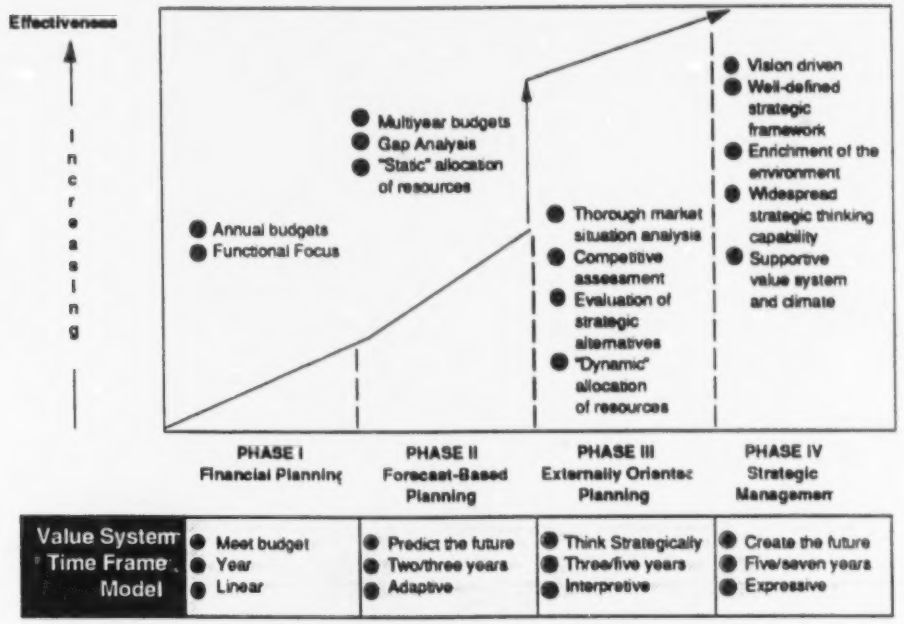
Planning Type	Planning Characteristics				
	Objectives	Outcomes	Approach	Purpose	Criteria
Long-Range	Ideals	Policies	Inventive	Establish Direction	Normative or Policy Planning
Medium-Range	Goals	Programs	Adaptive	Establish Strategies	Strategic Planning
Short-Range	Objectives	Methods & Procedures	Preventive	Allocate Resources	Tactical Planning

Before ascertaining what future conditions might exist and how planning and budgeting systems should address them, McTarnaghan (1974) viewed the following prerequisites as being necessary:

1. A plan for higher education must be developed which can define state-level goals, missions, resource allocations and enrollment projections. It must also portray to the public, to the governor and legislature, and to all interested in higher education, where the state is going in terms of higher education, where it should be going, how it should get there, and who is going to do what. Indeed, given limited resources, the entire postsecondary education system of a state must act in collaboration in the pursuit of statewide goals if each institution hopes to have the necessary resources to provide quality education.
2. Clearly defined statements of mission and scope of the institution and units of the institution must be developed to focus upon the way in which the institution will contribute to the specified state goals and objectives. Of significant importance is recognition of the role and mission in relation to the private sector.
3. Management objectives must be established to specify the goals the institution is striving to address.
4. A monitoring system must be established to evaluate the progress of the institution in achieving its mission, academic goals, and management objectives. A spectrum of tools also needs to be applied that improve the efficiency of the institution so as to get the best possible value from existing resources.
5. Focus must be maintained on desired and needed legislative changes which can strengthen this process and can allocate resources to critical areas of need based on the plan.
6. An accurate, accessible data base with commonly accepted definitions of terms must be maintained to answer the "what if" questions of contingency planning and to project future needs, resources, utilization, and costs (pp. 28-29).

Together the planning prerequisites, orientation, objectives, outcomes, approach, purpose, and criteria define the extent an institution has moved toward a strategic decision making process. Cope (1987, p. 97) visualized the interrelations in FIGURE 1.

FIGURE 1. The Evolution of Strategic Decision Making



Institutions facing difficult funding level forecasts have all responded to their particular crisis in different ways. Not only have the specific characteristics of a fiscal situation determined an institution's course of action, but so has the strategic planning process the institution had in place prior to the crisis occurring. What have other institutions done in the past when presented with potentially extreme budget reductions, and are there any patterns that can be drawn that will assist UAF to develop a more suitable planning and budgeting process? The next section briefly summarizes the typical responses higher education institution's have taken to address fiscal stress.

Lessons from the Past: How Other Institutions Have Responded to Fiscal Stress

The general pattern followed throughout higher education in response to fiscal stress is determined by the extent and expected duration of the crisis. When initially faced with a reduction, institutions normally assess the expected duration of the crisis. If the cuts appear to be for a short-term and in the neighborhood of 5%, across-the-board cuts (ABC) usually are instituted in all programs. ABC remains the most expeditious and quickest way to reduce expenditures. Such actions include to hiring freezes and the reduction or deferral of support services such as plant operation and maintenance, travel freezes, and deferral of equipment purchases. Faculty and staff attrition brings instant savings in salary, but the attrition process strikes indiscriminately, resulting in potential programmatic decisions being made when critical positions are not filled. In summarizing short-term responses to fiscal stress, Glenny (1982) stated that short-term actions encompass

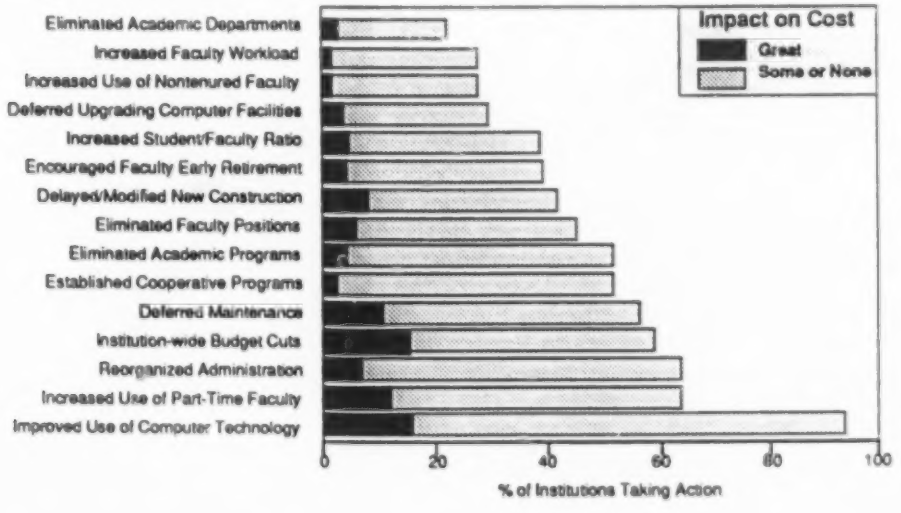
> *...the vast majority of all decisions. Relatively few short-run decisions result from the studied approach to a long-range plan or strategy...Only the most programmed mind responds to short-run crises with a fairly consistent set of responses based primarily on long-range goals. The institutional mind, even with its new computers, high salaried administrators, and offices of institutional planning and institutional research, fails to meet its obligations to planned organizational goals as it responds to current fiscal stresses. (p. 25)*

If the fiscal crisis worsens, a mixture of across-the-board and selective program reductions is implemented. Selective reductions are especially appropriate to campus-level actions to meet short-term emergencies and only do indirect harm to core functions. Largest reductions normally are made in the non-instructional areas and in academic programs not central to the main instructional and/or research purposes of the institution, such as, certain public services and ancillary activities. In addition, where possible, there is an attempt to make certain activities self-supporting, such as public radio and television operations, continuing education programs, and some institutional services. If possible, tuition and fees are raised to generate additional revenue.

As hope of an early solution to the fiscal crisis diminishes, institutions implement major program reductions and begin to develop integrated, ongoing planning and budgeting processes. In the early 1980's, at the University of Washington, University of Idaho System, and SUNY Albany, these reductions were targeted through an institution-wide program review process, in which the focus was not only budget reduction but also resource reallocation (McKinney, 1982; Shirley, 1982). At this stage, a thorough understanding of the institution's role and mission is the foundation on which a successful program review and reallocation process is built. All programs and activities are examined in terms of their centrality to the institution's mission. Academic program review and support area assessment processes are conducted within the context of institutional role and mission to help identify high priority areas and those which should be reduced or eliminated and their resources reallocated. By making these processes part of an ongoing activity, procedures can be developed for implementing future changes in program and services funding levels prior to the emergency. Additionally, maintaining academic excellence in the midst of changing financial conditions requires constant attention to the institution's mission and goals and the development of a continuous process of institution-wide strategic planning. Within this context, an institution ensures that even short-term decisions like those mentioned earlier can be made sound for the long-run (Hyatt, Shulman, & Santiago, 1984, p.2).

FIGURE 2 summarizes what cost cutting actions at colleges and universities had the greatest impact in the 1980's, according to a survey conducted by the United States Department of Education as a component of a congressionally mandated Higher Education Cost Study. Responses were gathered from 428 financial officers from public and independent colleges, two-year, and doctoral institutions (NACUBO, 1991).

FIGURE 2. Higher Education Cost Cutting Actions Taken During the 1980's



Organization of the Report

Section I stated the problem the report addresses, defined the three planning orientations and their primary characteristics, and reviewed what other institutions have done to respond to fiscal stress. The next factor in suggesting how UAF might approach the current fiscal situation can be derived by assessing the outcomes of what steps the institution has already taken in the recent past to respond to a somewhat similar budget reduction scenario. Section II of this report summarizes the restructuring of both the university system and UAF over this three-year period and what UAF specifically did to adapt to budget reductions. Institution flexibility in financial management along with externally imposed constraints is another critical factor in determining how UAF might approach the current fiscal situation and is discussed in Section III. The last section, Section IV, contains the committee's recommended approach to the current fiscal situation and recommendations for deriving a more suitable planning and budgeting system with an emphasis on what elements constitute a process that might better position the institution for future change.

II. ASSESSING UAF'S BUDGET RESPONSES DURING RESTRUCTURING

Historical Overview of Restructuring

Fall '85 When oil prices softened in 1985, the University of Alaska Board of Regents, foreseeing a period of little or no growth, called upon the administration to develop a long-range plan based on reduced expectations. The 1985 Alaska legislative session saw the first real reduction in state funding for higher education -- the university was forced to make $7 million in internal reductions to pay for a $7 million cost-of-living increase for university employees. The university FY85 budget stood at $168.3 million.

Over the fall of 1985 the university began the process of belt-tightening, shaving budgets wherever possible. While budget-cutting is always painful, most observers saw enough slack in the budget to cut expenses without major program effects. By December, however, oil prices began falling more sharply. In January, 1986, the tumble in oil prices became a free fall. By March, revenue projections were down more than 25 percent. The Governor called for a freeze on state hiring and other measures designed to save money for the remainder of FY86. The university followed suit, targeting a $2 million reduction in spending (five percent of remaining funds) for the final three months of the fiscal year. The final university FY86 budget stood at $167.8 million.

July '86 The governor's budget for FY87 called upon the university to reduce spending by $15 million, or nine percent; after some debate the legislature approved the cut. The university responded with a plan which called for reductions in out-of-state travel, elimination of all equipment purchases, a reduction in pension benefits for staff, a tuition increase, limited program reductions, and the elimination of statewide programs in nursing, a phase-out of the WAMI medical education program, and significant reductions in institutional support and academic support personnel. The plan called for elimination of 250 jobs, 91 of which were at UAF. The university entered the new fiscal year under difficult financial conditions, with a initial FY87 general fund budget of $153 million.

After the Alaska Legislature adjourned, state revenues fell further. On July 17, 1986, the governor announced a general budget rescission for state agencies, giving the

university a fifteen percent, or $23 million reduction. The university president notified the system chancellors that he was forming a Restructuring Team to "gather information needed for refining the statewide system and campus missions based on the strengths of each campus and the elements which permit it to be of special value to the region that is served."

Aug '85 In early August, the governor changed the rescission target to $15.3 million. The university president reported to the university community on the planned response to the governor's request. After meeting with the five chancellors, the president would recommend to the Board of Regents a package which included:

- $9 million in reductions to teaching, research and service programs
- a declaration of financial exigency, allowing the university to reduce compensation for non-represented employees by $8 million, including reductions in teaching contract lengths
- increases in miscellaneous fees and parking charges
- restructuring of the system to "make it a smaller institution, offering fewer services to a more limited range of citizens, but retaining its quality and reputation, and preserving a basic structure on which it can build when the state's economic situation improves."

The Board of Regents balked at the declaration of exigency, believing it would produce permanent harm to the university system. After an emergency meeting with the governor, the regents agreed to lapse $6 million in unspent capital appropriations, with a commensurate reduction in the budget rescission. Staff salaries were frozen and benefits were reduced. By doing this, a declaration of exigency was avoided. The agreement anticipated further reductions in the following fiscal year. The final university FY87 budget stood at $143.7 million.

In late August, the Restructuring Team began its review of campus programs. The team began a series of visits to review campus strengths and weaknesses. The Restructuring Team examined the patterns of academic, vocational and public/community service programs, the clienteles served, the organizational structure of the campus in support of program delivery, and the cost of services. Four themes were developed:

- the scope of services must be narrowed to accommodate the funding reductions
- delivery of quality services to as many constituencies as possible must be continued
- instruction for credit would be delivered through accredited or readily accreditable units
- visible contributions to the economic future of the State must be increased.

Discussions by the Restructuring Team after the campus reviews quickly progressed to structural change to the university system. The group saw the rapid growth of the system during the 1970s and early 1980s as problematic; growth was fueled more by the amount of money available and political pressure than a sound academic plan. The locally controlled, separate and autonomous community college campuses had developed administrative superstructures designed for far larger institutions. Local

Aug '86 cont. communities couldn't or wouldn't give financial support to the colleges, but lobbied aggressively for the "free" state funding to provide services. Local community college advisory boards had a large degree of authority, but little responsibility or accountability for their actions. Throughout the system, there was no centralized curriculum review process, no common course numbering scheme among institutions, and no accepted articulation agreement among university and community colleges. Many of the institutions had unrealistic mission statements. The needs were vastly different in various regions of the state, and there was not a good match between services and needs. Development of and funding for vocational programs was based on historical needs, rather than current and projected future student needs. Rural residents needed access to continuing education at the baccalaureate level and above, but rural colleges did not have an upper division mission and the vast distances in the state made use of the senior campus programs unrealistic.

Oct '86 Debate intensified in October, 1986, when the governor asked for an additional fifteen percent budget reduction plan for the following fiscal year. Three principal options were considered:

- A single accredited multi-campus university, administered centrally
- Three universities, a single statewide community college, with a reduced central administration
- Three multi-campus universities with both traditional university and community college missions, with a reduced central administration.

On October 31, 1986, the president unveiled his proposal to the Board of Regents. It called for three multi-campus universities, which would merge the open-access community colleges with traditional university institutions. Once the new institutions were well established, the Statewide Administration would play a narrower and more policy-oriented role.

July '87 On July 1, 1987 the new institutions came into existence. The process of combining administrations began. It was most severe in Anchorage, where the three former administrations of the University of Alaska-Anchorage, Anchorage Community College, and the Community Colleges, Rural Education and Extension division were to be merged under a single chancellor. The process for merging administrations provided for notice of "affected position" to all persons holding similar jobs, determination of the best qualified from among those affected, and layoff notices to those not chosen. Systemwide, nearly 100 positions were eliminated, including two chancellors, five vice chancellors, eight deans, 19 directors or campus presidents, and a host of coordinators, managers, other administrators, and associated clerical personnel.

Fall '87 Over the summer and fall of 1987, the Institutional Restructuring Advisory Committees ("IRACs") and the Special Task Forces began working out details of the restructuring plan. The IRACs began development of recommendations, establishing their own task groups on degree program integration, curriculum integration, administrative structures, faculty integration, governance, outreach, faculty promotion and tenure policies, community advisory committee policies, student services policies, and myriad other details. Hot spots included the Vocational Education Task Force and the Rural College Task Force, which were torn by conflicting visions of future organization and mission. In November, 1987, tuition policies for the two Anchorage institutions were merged, effective for the 1988 spring semester. Tuition was set at $37 per credit hour throughout the Anchorage campus, replacing the $40 per credit hour at the former

University of Alaska-Anchorage and $35 per credit hour at the former Anchorage Community College.

Winter '87-'88 During the winter of 1987-1988, the IRACs worked on new mission statements for the three institutions. After significant debate, turf battles among institutions, and innumerable meetings, new mission statements were approved by the regents in February. Each mission statement recognized the broad instructional program offered at the multi-campus universities, and spoke to the range of academic and vocational programs to be offered, the research focus, and the long-range focus of the institutions. Each stressed its focus on both the academic traditions of a university and the student- and community-centered orientation of community colleges. The University of Alaska Fairbanks cited its statewide and national constituency, the significant role of research in the institution, the focus on natural sciences, resource management and native culture, and provision of extension and service programs throughout the state. The University of Alaska Anchorage concentrated on health and biomedical sciences, public policy and administration, vocational-technical education, and international business and trade, with an emphasis on Pacific Rim nations. The University of Alaska Southeast emphasized its regional mission, its baccalaureate programs, and selected graduate programs (Rogers & Gaylord, 1988).

Restructuring Results and Summary

The most critical positive and negative results of restructuring were:

- The restructuring effort met the primary goal of creating a university system that provided essentially the same level of academic opportunities for the residents of the state while reducing considerably the complexity and cost of the delivery system. TABLE 3 clearly shows that in terms of the number of full-time staff, the only employee category showing a decrease since restructuring was Executive Administration, having roughly a 21% decrease systemwide and a 17% decrease at UAF. Systemwide, the number of full-time faculty increased by 2%, matching the 2% increase in systemwide student FTEs over the same period. The number of UAF full-time faculty remained constant, while UAF student FTEs over this same period decreased by 5%.

TABLE 3. A Comparison of Full-Time Filled Positions Fall '86 - Fall '89

Employee Category	Fall 1986	Fall 1989	Percent Change
UA System			
Executive Administration	211	167	-20.9
Faculty	928	947	2.0
Professional Staff	424	527	24.3
Secretarial	635	741	16.7
Other (Skilled, Technical, Maint)	504	708	40.5
UAF			
Executive Administration	79	66	-16.5
Faculty	482	483	0.2
Professional Staff	212	277	30.7
Secretarial	317	369	16.4
Other (Skilled, Technical, Maint)	317	460	45.1

Source: HRIS Extracts. UAF Planning, Computing, & Information Systems, 1990.

- Positive outcomes for students were significant. For students in Anchorage, there is now one registration process for all students, rather than separate processes for Anchorage Community College and the University of Alaska-Anchorage. Movement from branch campuses to the main campuses in Juneau, Anchorage, and Fairbanks is now a within-institution transfer, rather than a transfer to a new institution. A simplified course numbering scheme makes understanding of courses and programs significantly easier for both students and faculty. Students now have a single tuition structure within Anchorage and Fairbanks, rather than a dual community college - university tuition structure. Improvements in academic advisement are possible, as advisors can deal with all courses taken by a student, rather than only courses taken at the advisors' separate institutions.

- Students at branch campuses and in rural Alaska saw new positive benefits. Selected upper division and graduate courses are now offered at the branch campuses in addition to the vocational-technical and lower division courses formerly offered by the local community colleges. At UAF, the number of upper division and graduate student credit hours taught at extension sites went from 54 in Fall '86 to 634 in Fall '89. As demand warrants, additional degree program sequences are likely to be offered. Cooperation among the rural campuses in the use of distance delivery technology will make courses formerly offered in only one community or region available throughout rural Alaska, increasing student course choices.

- Positive outcomes for faculty included the bringing together of faculty that had been in a more isolated educational environment to form a more functional critical mass. A new governance structure increased the visibility and role of local faculty in decision-making. Faculty in small departments and disciplines gained the benefits of a wider circle of peers.

- On the negative side, the volume of issues facing faculty increased dramatically. Development of new policies for evaluation, promotion and tenure has required increased faculty participation in committee meetings. Each department at each institution has faced problems of integrating curricula of two or more institutions, changing course content to allow simplified course numbering and unified course content descriptions. Many faculty members were required to move offices. The strong tradition of the community college has made it difficult to achieve full integration of programs and services, although many gains have been made. Some university faculty were concerned about the quality of instruction at the former community colleges, and were reluctant to accept transfers of students into baccalaureate programs. Some were worried about an erosion of quality at the upper division level, since the Board of Regents placed such a large emphasis on maintenance of the community college mission.

- Some non-traditional students believed that even with open door policies, institutions called universities would not not as student-centered as community colleges and would thus provide less service to students.

Assessing UAF Budget Responses During Restructuring

The UAF budget reduction strategy tried to assure that no irrevocable harm was done to any of the institution's primary functions. In dealing with this major fiscal crises first in FY86, UAF used a variety of responses that had both internal and external involvements, and were strongly influenced by the timing of particular budget reduction during the fiscal year. For example, the mid-year holdback in FY86 generally necessitated short-term responses that did not affect contractual obligations with employees or disrupt academic programs. In contrast, FY87 responses to funding shortfalls affecting the entire fiscal year generally encompassed more permanent reductions in

operations, including personnel and some limited program reductions or eliminations. Specific UAF budget reduction actions taken during the restructuring years follow.

FY86

During FY86, a total impact of $4.4 million in internal and general fund reductions were incurred in the following fashion: 1) 8% derived from efforts to increase the generation of increased fees income; 18% from efficiency savings; 22% from institutional support; 5% from physical plant; 6% from public service; 2% from student services; 7% from academic support; 23% from organized research; and 9% from instruction. Actions included vacant positions not being filled, hiring being delayed, reducing faculty contracts to nine months, reducing student labor pool, part-time positions, travel reductions, general fund support for research faculty reductions, eliminating support staff positions, library service, curtailing library acquisitions, deferring repair and renovation work, administrative services reductions, electrical consumption reductions, custodial services reductions, telephone system efficiencies, changing annual reports to biennial reports, copier expenses reductions, summer sessions overhead reductions, establishing museum charges, increasing parking fees, and increasing tuition and fees (details in Appendix A). Almost all of the reductions made in FY86 were of a short-term nature.

FY87

Actions at UAF included: reduced out-of-state travel 30 percent; reduced general fund equipment by 80 percent; reduced commodities and contractual services by 5 percent; suspended 75 percent of the deferred maintenance program; physical plant position reductions; reduced physical plant by contracting for some services; delayed addition of new boiler to the power plant thus avoiding debt service payments for FY87; reduced staff benefits with employees required to pay more for health benefits; sabbatical leave program costs were to be absorbed by colleges and institutes; reduced all temporary employment by 10 percent; limited overtime; reclassification of positions downward; decreased full-time employees but expanded student pool; reduced faculty positions to bring programs in line with student enrollment; some positions became self-supporting, such as the health center's physician; merged administrative departments such as Receiving and Central Stores into a single General Services department; eliminated computer maintenance agreement; energy conservation savings; closed AEIDC as a separate center; disestablished the WAMI Program; eliminated Summer Orientation Program for teachers going to rural Alaska; Museum eliminated public service projects; Library reduced support of Oral History Program; closed IMS Library and eliminated staff; eliminated local production for national TV; eliminated tutorial program; eliminated extension activities that interface with secondary school vocational agriculture; reduced field research support; reduced Intercollegiate Athletics by eliminating assistant coaches in skiing, cross-country, rifle, women's volleyball and women's basketball and reducing assistant hockey coach to six months; Athletics initiated programs to obtain increased private funding support; generated additional revenue by doubling the parking fee from $35 to $70 per year; and initiated a transcript fee (details in Appendix B).

FY88

Reductions included: deferred maintenance/repair and renovation; eliminated library executive officer; eliminated security position; reduced fire department; eliminated business office position; increased administrative services income; reduced supplies and contractual services; eliminated positions and support costs in graphics; departments were charged for graphic services after these reductions; eliminated the intercollegiate swimming program; reduced position and labor pool funds in student services; eliminated ASUA's cost center clerk; eliminated coordinator of the applied reindeer research program; maintained veterinary research program on reindeer, but management ability and support were diminished; eliminated GI communications engineer position

and library support position; reduction in IMS contractual services and commodities; reduction in MIRL non-personal services reducing research support; reduction in PDL general fund support of director's position; eliminated position in Museum collections development; and KUAC broadcasting reduction (details in Appendix C).

TABLE 4 summarizes the downward trend of UAF funding over three fiscal years from FY86 through FY88.

TABLE 4. FY86-88 UAF Budget Summary (x $1,000)

General Fund Authorized	Old UAF	Old Other*	New UAF	GF Actual** Reductions	Impact of Reduction
FY86	66,091.4	15,570.5	81,661.9	52.7[1]	4,372.8 [1]
FY87	60,703.3	14,352.3	75,055.6	6,606.3	6,223.0
FY88			69,360.1	5,695.5	8,013.9
				12,354.5**	18,609.7
					+ 2,600.0 [2]
			TOTAL REDUCTIONS		21,209.7

* Other = Cooperative Extension Service, Marine Advisory Program, Rural Education, Tanana Valley, Northwest, Chukchi and Kuskokwim Colleges, UAJ Fisheries and Sea Grant.

** The differences between the reduction of 12.4 million and total reduction of 21.2 million relates to internal reallocation for essential services for 3,692.5 and an increase for TRS matching base adjustment of 1761.8; risk management cost 589.4 and for various staff benefit adjustments and one-time appropriations included in individual year's budget.

1 Reduction from FY85 general fund.

2 The impact of reduction of "other" is not reflected by fiscal year. This is the total impact for FY86-FY88.

Source: FY89 Budget: A Briefing, UAF Relations Office, 1988.

In many ways, the budget reduction actions taken since FY86 have reduced the short-term, non-core-impacting options the institution still has left to offer up. The next section reviews what some of the most important limitations are to UAF's response alternatives to the current fiscal situation.

III. DEGREE OF MANAGEMENT FLEXIBILITY AND REVENUE DIVERSIFICATION

- As mentioned, the budget reduction measures the institution has already taken over the last four years has reduced the array or extent of short-term cost-cutting actions it can take at this time.

- How much flexibility does UAF have to develop its own planning & budgeting system? It's hard to answer this without a clarification of the future role of Statewide Administration and the relationships between the institutions and Statewide Administration (see Gaylord, Hubbard, Myers, 1988, p.44). A crucial factor is the need for greater UA fiscal autonomy, which would provide a more stable basis for formulating long-range expenditure plans. In the absence of a greater degree of fiscal autonomy, and with the continuation of relatively unpredictable variations in its revenue sources, long-range planning will remain a difficult task.

- Budget flexibility at the institution-level is restrained by system-level priorities and needs. Examples are the proposed FY92 budget reduction principles (Statewide Budget Office, 1991):

  I. Academic
     - A. Continue to deliver education programs at all current locations.
     - B. Protect the minimum quality program standards.
     - C. Minimize cuts to higher quality programs.

  II. Personnel
     - A. Absorb salary (3%) and benefit (3%) increases.
     - B. Minimize reductions to instructional productivity (i.e., SCH).
     - C. Maintain status in competitive salary markets.

  III. Physical Plant
     - A. Maintenance will be funded at no less than 95% of national formula.

  IV. Research and Public Service
     - A. Minimize reductions to regional economic development.
     - B. Minimize reductions to public service through the extension services.

- UAF is restricted in managing short-term financial emergencies and subject to unpredictable and immediate budget reductions when state revenues fail to meet anticipated levels of income.This situation is exacerbated when the state does not prepare and use "rainy-day" reserves. Moreover, the university's operating and capital budgets are in direct competition with one another, each being heavily dependent on the same general fund revenue base.

- Regents retain control of major program review processes including the elimination or expansion of programs at individual institutions.

- UAF's institutional review process for academic program changes is not on a schedule that enables the institution to react quickly to budget changes.

- As the non-GF revenue projections done by the Statewide Budget Office show, there is little hope of mitigating GF fluctuations by expected increases in these revenue sources, i.e.,UAF does not control setting its own tuition structure and opportunities for significant development campaigns are limited in their success due to the small private sector in Alaska.

- For the last few years, income from research grants and contracts has been a primary factor in helping the institution maintain its status as a leading research institution. On the whole, research funding is expected to remain relatively strong, although shifts in sources will have long-range planning implications.

- To a large extent, political advocacy is Board of Regents and Statewide Administration controlled.

IV. SUMMARY AND PROPOSED PROCESS

Issues Determining Institutional Approaches to Imminent Fiscal Change

1. **Duration of the Fiscal Crisis**
   In determining an institution's response to fiscal change, three factors in particular shape what that response might be: 1) the short- or long-term nature of the crisis; 2) the timing of the budget crisis; and 3) the institution's state of preparedness.

2. **Degree of Management Flexibility and Revenue Source Diversity**
   Flexibility in financial management is another critical element in determining an institution's approach to fiscal change. Ability to carry forward funds from one fiscal year to the next, establish reserves, transfer funds among budgetary units and between expenditure categories, apply various cash management techniques, and consolidate or merge existing offices or programs indicate a higher level of flexibility. Cost saving can also be achieved by investing funds in the upgrading of management processes and procedures. Diversity in an institution's revenue sources also helps to avoid major dislocations caused by a drastic reduction in any single funding source. More flexibility exists when an institution isn't totally dependent on state appropriations, can set tuition and fee levels, has development activity, and has ties with business.

3. **Historical Level of Recurring Program Support**
   An institution's historical level of recurring program support is a major factor in determining its approach to retrenchment or reallocation. New institutions or those with a recent history of budget reductions have fewer financial options in responding to retrenchment.

4. **Effective Communication with Constituent Groups**
   A final factor that influences reallocation is the administration's ability to communicate and cooperate with all institutional constituents. It is essential that these groups are informed of reasons for reallocation and the options that are available. Administrators should pursue a middle course between dramatic predictions of doom and a low-key approach which understates the real impact of reductions (Hyatt, Shulman, & Santiago, 1984).

Process Elements Affecting Institutional Approaches to Ongoing Fiscal Change

1. **Assessment of Institutional Role and Mission**
   A thorough understanding of the institution's role and mission is the foundation on which a successful reallocation process must be built. All programs and activities must be examined in terms of their centrality to the institution's mission. Academic program review and support area assessment processes that are conducted within the context of institutional role and mission will help to identify high priority areas and those which should be reduced or eliminated and their resources reallocated. Maintaining academic excellence in the midst of changing financial conditions demands constant attention to the institution's mission and goals and requires a continuous process of institution-wide strategic planning.

2. **Quality of Academic and Support Programs**
   A concern for maintaining or enhancing instructional quality underlies most reallocation plans. While measuring quality remains a difficult task, academic program reviews and

support area efficiency assessments combined with input from other sources, such as accreditation reports, will help to identify strong and weak areas of the institution.

3. **Long-term versus Short-term Costs and Benefits**
In developing reallocation processes, the institution must be sensitive to both the short- and long-term implications of its actions. Some examples:

- *Reduction in Support Areas. While support areas are often among the first targets for retrenchment or reallocation, reductions in these areas may have negative long-term effects on an institution. When considering reductions in the support area, administrators should be aware that false economies may result when reductions in departmental support merely result in increased demand for central services.*

- *Deferring Equipment Purchases. Deferral of equipment purchases can provide some relief from short-term budget reductions. In the long run, however, inadequate funding of equipment can lead to serious erosion of the capacity and quality of instruction and research programs, and also impair the institution's ability to attract research grants and contracts.*

- *Deferral of Plant Maintenance. Deferring plant maintenance can have long-term implications for the institution's academic programs. If programs cannot be adequately housed or if library collections and research equipment cannot be adequately protected, the institution runs the risk of undermining its instructional and research capacity. Deteriorating facilities and equipment also expose the institution to potential legal liabilities resulting from accidents and/or injuries.*

4. **Constituent Group Involvement**
To be successful, the reallocation process must have the active involvement of faculty, students, and other constituent groups. A steering committee composed of senior administrators, faculty, and students, established to guide reallocation, will improve the level and quality of communication among all staff during the entire process (Hyatt, Shulman, & Santiago, 1984).

Proposed Planning and Budgeting Process for UAF

The overriding assumption of this proposed process is that if the choices facing the institution are made well, based on carefully developed plans, UAF can contract in scope without losing its claim to excellence. The approach proposed incorporates the above points in devising a three step planning and budgeting process:

1. Institution-wide actions and review of programs and support services.
2. Cuts and reallocation in support services.
3. Retrenchment and reallocation in academic programs.

The only way to cut continuation-level budgets without inadvertently harming the mission of the institution in the long-term is through a program review process; reviews that, whether they target administrative or academic programs, take time to properly conduct. The implementation strategy, therefore, forwards a phased approach spread over several budget cycles which is reflected in both the administrative and academic program review processes that follow.

I. Institution-wide Cost Savings Actions, Reviews, and Process Elements

A mechanism is needed by which institution-wide planning/budgeting issues and cost savings suggestions can be surfaced from throughout the whole institution; suggestions that otherwise might be missed through a discrete program review process. Examples here might include suggestions to close most buildings during Christmas Break or lowering thermostats. Appendix D includes cost-saving measures forwarded to the Budget Flexibility Task Force in 1986 through a "suggestion box" set-up on UACN electronic mail. It was a good idea, but one that died as restructuring began later that year.

An equally important aspect of this is to allow for the formulation of proactive, coordinated institutional actions focusing on external constituents. An example would be the mounting of a public relations campaign targeting lay citizens that would publicize: 1) the value of UAF to the State; 2) the fiscal realities for UAF implied by Governor Hickel's education budget in light of the institution's recent funding history; and 3) the effects of any reallocations or deletions which actually result from budgetary constraints.

Institution-wide reviews are recommended that are done either separately or in conjunction with discrete administrative support or academic program reviews. Such cross-program assessment reviews provide insight and credibility into planning and budgeting decisions. Eight specific studies (new or already being done at UAF) are recommended for consideration and are listed in TABLE 5.

TABLE 5. Recommended Institution-wide Reviews

Study	Objective(s)
Instructional Outcomes	To exhibit high and low instructional output levels by departments and the associated causes.
Causes of Student Dropouts	To discover reasons for dropouts and possible corrective actions.
Enrollment Projections	To provide a better basis for detailed enrollment projections by major field of study.
Tuition Policy	To develop relationships between tuition charges and future enrollment levels. Such studies can help predict the effect of raising or lowering tuition on institutional income.
Tenure Policy	To examine the impact of current promotion and tenure rates.
Unit Cost Analysis	To develop a system for calculating unit costs of instruction and cost per degree granted and to develop a means of using these data to control costs.
Aggregate Financial Analysis	To examine the structure of budgets and the difference in growth rates between important components of income and expense.
Facility Utilization	To examine usage by hours, day, and type of facility and develop improved long-range capital planning and immediate assignment/scheduling practices.

Source: Adams, C.R., Hankins, R.L., & Schroeder, R.G. The Literature of Cost and Cost Analysis in Higher Education. Minneapolis: University of Minnesota, 1975.

Lastly, how the recommended program reviews are implemented will be dependent on how the following process elements are addressed at all institutional decision-making levels:

- *Comparative effectiveness of open and closed managerial style*, i.e., which management approaches are likely to be the most effective now and in the projected atmosphere of difficulty?

- *Management responses to change*, i.e., which management approaches are most likely to deal effectively with responses to unpopular but necessary changes?

- *Quantification of mission statements*, i.e., what are the best approaches to developing statements of institutional mission, role, and scope and how may they be quantified?

- *Linking short-range budgeting and long-range planning*, i.e., how can long-range ideals and goals best be incorporated into an institutional budgeting process that seeks to link long-range planning and resource reallocation?

- *Faculty as decision makers*, i.e., what are the managerial roles of faculty, including those serving as department heads? Which factors, such as incentives, constraints, and information influence faculty behavior in managerial roles?

- *Management functions and configurations*, i.e., what are the alternative organizational configurations and what are their implications for management functions and the structures within which they operate? (Lawrence & Service, 1977, pp. 77-78).

II. Administrative Support Program Reviews

Over a two-year period, UAF should evolve from the current incremental budgeting approach to a modified zero-base budgeting (ZBB) approach, which would incorporate aspects of an internal post-budget audit review. UAF's current incremental budgeting approach assumes that the present basis for allocating resources is appropriate and that present activities are to be continued. Although this incremental budgeting is easy to understand and is widely accepted by governing boards and legislators, it does not encourage an institution either to justify existing activities or to eliminate activities that are not productive. The zero-base approach is recommended because it parallels the basic bottom-up review process, activity assessments, and justifications integral to the traditional academic program review. Because of the greater amount of work that is required, particularly the first time an institution switches to this budgeting approach, a two phase process is sketched allowing a modified ZBB basis to guide immediate FY92 budget reductions.

Step 1.

In the first year, administrative units would be required to conduct a modified ZBB review of their FY91 budgets to allow the institution to respond to imminent budget reductions differentially by administrative support area. For FY92, this process would require:

1) Identifying each area's respective administrative support activities, the personnel and costs (FY91 beginning budget as well as projected actual expenditures) associated with each activity, and the rationale for the activity (i.e., mandatory, very helpful, helpful).

2) Assessing program efficiency and effectiveness, including peer institution comparisons where feasible (i.e., most recent available year ratio analyses

of actual expenditures), to be done by the respective unit in conjunction with the UAF planning and budget offices. Analyses would need to consider various comparative analysis constraints, such as minimum levels of support, economies of scale, the degree to which Statewide Administration supports or could support the activity, the degree of automation, and the length of commitment to that activity. Administrative costs within academic programs would also be included in comprehensive analyses of general administrative expenditure areas.

3) Target budgets would be distributed to all non-academic support units. Those areas targeted for receiving less budget would be required to indicate plans for such reductions and the anticipated impact of these reductions not only on directly affected units, but also on academic programs, other campus units, and the institution's ability to function effectively in the long-term.

Based on the unit analyses, target budget responses, and externally imposed constraints/ mandates, budget reduction (or increment) priorities would be established and reductions made. Any remaining FY92 reductions would occur in academic units based on the results of the academic program review process outlined below.

Step 2.
Beginning with the FY93 budget, a modified ZBB approach would be implemented and integrated into the UAF Operating Budget Request Flowchart thereby allowing more substantive reviews to occur in a more orderly fashion for administrative support areas. Additionally:

1) ZBB would be expanded to incorporate UAF's Strategic Plan objectives in justifying budget decrements, or increments.

2) Ratio and peer comparison assessment methodologies would be expanded to include formula-base budget development in appropriate areas (i.e., physical plant, equipment, library).

3) Resource reallocations among administrative support units would commence based on the ZBB and Strategic Plan tie-in, and on the results from discrete applications of formula-base budgeting models.

III. Immediate Academic Program Reviews

Overall academic program reviews would be conducted assess operations of the college, school, or institute in relation to problems, strengths, and goals. The Faculty Senate would develop criteria or review questions that academic units would use to review their programs and short-, medium-, and long-range plans; deans and directors would submit unit self-assessments identifying major long-range planning issues along with any preliminary plans for addressing them; and faculty task forces, jointly appointed by the Vice Chancellor of Academic Affairs and the Faculty Senate, would evaluate all documents prepared by both the academic support and institutional support units.

The next step would be to take the individual dean's/director's reports and the task force evaluations and develop a planning guide that identified issues and assumptions concerning the institution's role and mission, organization, structure, functions, and educational tasks.

The first year academic program review process would be comprised of the following four steps:

Step 1. Identify Programs Lying Outside the Role and Mission of UAF

Before identifying programs which do not directly contribute to the role and mission of UAF, the institution must agree upon its true goals and mission. Clearly this process must start with the UAF Mission Statement. However, the 1988 Mission Statement may not accurately reflect the contemporary view. Thus, a "working" mission statement must be developed based upon today's realities. Sources of material which must be considered for incorporation into the "working" mission statement include College/School/Institute mission statements, implications of Land/Sea/Space Grant status, the revised UA System Six-Year Plan, the FY92/93 Planning Assumptions for UAF, and the 1990 accreditation team report.

The institution will develop the "working" mission statement. Deans and Directors will assess the relationship between each program under their control and the "working" mission statement.

STEP 2. Assessment of Program Quality

Deans and Directors will give a ranking of the qualities of programs under their direction. In the absence of existing data from reliable program quality assessments, Deans and Directors with their faculties will devise their own assessment procedures. In particular, each program would be rated in terms of three dimensions: 1) quality; 2) centrality to the UAF mission; and 3) need.

STEP 3. Assessment of Productivity

Deans or Directors will assess productivity of each program under their direction. Measurements of instructional productivity should include student credit hours, number of majors, and number of recent graduates. Measurements of research productivity should include proposals submitted, grants received, number of publications, benefits to the State, and benefits to the Nation. Service productivity would be measured by such things as the number of contacts, degree of self-support, and recent trend of self-support. Analyses of these data will include considerations of economies of scale and special circumstances.

STEP 4. Identification of "At-Risk" Programs

A steering committee composed of senior administrators, faculty, students, and other constituent groups will make program deletion and reallocation suggestions to the Chancellor. Final action is the responsibility of the Chancellor.

The institution should not view this proposed exercise as a panic reaction to impending budget reductions. Rather, this proposed review process must become an ongoing part of our regular planning and budget development. The resultant reviews will, at worst, serve as guides for budget reductions and, at best, serve as realistic estimates of internal flexibility for launching new initiatives.

It is the recommendation of the Ad Hoc Budget Planning Group to begin implementing this process now.

APPENDIX A
UAF FY86 BUDGET REDUCTIONS
May 23, 1985

Reduction Plan Philosophy
UAF tried to assure that no irrevocable harm was done to any of its primary functions. UAF also tried to avoid reductions to labor pool dollars and non-personal services although this could not be totally accomplished.

TOTAL		**$ 4,372.8**
A. Generation of Increased Income to offset General Fund reductions		**359.1**
Areas where fees could be increased were examined: In each case where fees are increased, an equal amount of General Fund revenue is decreased. The following were included:		
1) increased Wood Center returns	15.0	
2) increased heating charges to school district for West Valley High School	10.0	
3) charged for tutoring	20.0	
4) increased graduate tuition for resident students in thesis and charge $100 for continuing registration	40.0	
5) increased late registration charges	19.0	
6) increased parking fee	49.5	
7) increased contract with Post Office and charge for boxes	16.3	
8) increased Fire Department income through contract with FNSB	33.1	
9) established museum charges	100.0	
10) increased income from Palmer milk sales and Palmer housing	20.5	
11) increased revenue recovery from motor pools	35.7	
B. Efficiency Savings		**807.9**
Areas were identified where savings could be accomplished which would have minimal impact on our primary functions. The following were included:		
1) telephone system savings	100.0	
2) reduced General Fund support to Central Stores	110.0	
3) reduced General Fund subsidy for student housing	14.0	
4) reduced electrical consumption throughout campus	150.0	
5) reduced copier expenses	43.0	
6) reduced staffing in Budget and Cost Records	63.5	
7) merged graduate studies office with VC for Research	42.0	
8) reduced Summer Sessions director	46.0	
9) changed annual research report to biennial	80.0	
10) staffing and other reductions - VC for Research	45.0	
11) modified custodial functions and work schedules	108.0	
12) natural gas conversion savings - Palmer	6.4	
C. Program Reductions		**3,169.0**
1) Institutional Support		
a. Business Office - reduced vacant accounts clerk position	26.8	
b. Employee Relations - reduced 1/2 time clerk specialist	18.1	
c. Fire Department - reduced services and supplies	10.0	
d. Grants and Contracts - reduced vacant accounting technician position	31.4	
e. Purchasing - reduced 3 positions	72.9	
f. Vice Chancellor for Research - reduced travel and commodities	20.0	
g. Honors Program - reduced contractual services	10.0	
h. Assembly reductions	7.0	
i. Eliminated audioconferencing funds - users absorb cost	67.0	
j. Repair and renovation fund	700.0	
2) Physical Plant		
a. deleted assistant supervisor position and reduced 40 man/months from various positions.	210.0	
3) Public Service		

a.	Conferences and Institutes - reduced 2 1/2 time positions and other savings	44.8	
b.	KUAC - reduced 3 positions and manager's labor pool	58.6	
c.	IMS - Closed KM Rae Center in Seward (left open in summer)	57.3	
d.	CLA - Eliminated Athabascan Heritage Curriculum project	95.0	
4)	Student Services		
a.	Athletics - reduced 4 coaches to 10 months unless other funding is generated	45.1	
b.	RSS - reduced 1 vacant half-time counselor position	25.0	
5)	Academic Support		
a.	Library - reduced Russian Translation Program	35.0	
b.	New positions - reduced 7 new positions in library to 5 new positions	100.2	
c.	Acquisitions - Established FY86 Library Acquisitions budget at 665.0, including 65.0 for the Natural Resource Library. Added 40.0 new funds for film budget.	163.9	
d.	Dean, School of Engineering - reduced 1 month plus staff benefits	8.6	
6)	Organized Research		
a.	AEIDC - reduced or eliminated 10 positions and 30 man/months	106.2	
b.	IAB - reduced General Fund support of faculty positions	165.2	
c.	IAB - reduced administrative support	109.0	
d.	IAB - deleted retiring faculty position plus benefits	74.0	
e.	GI - deferred replacement of 5 faculty positions	150.9	
f.	GI - deleted 1 vacant support staff position	46.8	
g.	GI - reduced services, travel and some salary savings	36.6	
h.	GI - scaled down General Fund support for Quick Look	65.0	
i.	AFES - Palmer - forced vacancies for 2 positions and maternity leave for 1	80.6	
j.	AFES - Fairbanks - deleted 2 vacant clerical positions and delay hiring of 1	80.7	
k.	IMS - efficiency savings	64.5	
l.	MIRL - 2 man/months and staff benefits	13.0	
7)	Instruction		
a.	SALRM - reduced intensive forest management program	56.3	
b.	SME - reduced vacant position with benefits for 2 months	21.2	
c.	CHRD - reduced 1/2 time secretary, 1/2 time coordinator and replacement faculty savings; travel and contractual services savings	106.1	
d.	School of Engineering - deleted vacant 1 and 2 month positions and reduced non-department head faculty contracts to 9 months	74.2	
e.	College of Liberal Arts - reduction in student pool and travel	53.4	
f.	College of Natural Sciences - deleted 1 vacant clerical position and 2 man/months assistant professor	40.7	
g.	School of Management - reduced 3 non-department head faculty positions to 9 months	17.9	
D.	**Miscellaneous**		**36.8**
TOTAL FY86 BUDGET REDUCTIONS			**$ 4,372.8**

APPENDIX B
UAF FY87 BUDGET REDUCTIONS
April 22, 1986

PHASE I **TOTAL $ 6,155.4**

Positions eliminated (as originally identified): 17 faculty, 34.5 professionals, 39.5 classified = 91 total

A. Employee Benefits **807.2**

1) Staff Benefits

Systemwide, we targeted savings of $2 million through changes to the benefit program. The details are still being worked out, but will probably result in employees paying more for their health benefits. The savings are prorated based on personnel costs. Impact: Decrease in net pay.

B. Efficiency Savings **2,292.5**

1) Purchasing 130.0

Merged Receiving and Central Stores into a single General Services department., eliminating 3 positions. Maintain same service level. Impact: More efficient operations. Positions eliminated: 1 professional, 2 classified.

2) Physical Plant 360.0

Eliminated 2 administrative and 4 craft positions. ($260.0). Limited overtime to no more than 3 percent of salaries. ($ 100.0). Impact: Some reduced scope of work. More careful attention was subsequently paid to what constitutes an emergency. Positions eliminated: 2 professionals, 4 classified.

3) Employee Relations 78.4

Reclassification of 1 technician position downward (8.6). Eliminated assistant director position (69.8). Impact: Some reduced scope of work. Tried to offset by further streamlining process. Position eliminated: 1 professional.

4) Business Office 60.0

Further savings on elimination of phone tielines. Impact: No noticeable service impact.

5) Grant and Contract Services 15.0

Eliminated computer maintenance agreement. Impact: Due to equipment change, no negative impact.

6) Utilities 100.0

Further energy conservation savings. Impact: Depends on winter severity.

7) Security 18.0

Position savings by reclassification downward and expanded student officer pool. Impact: Director had increased workload. Position eliminated: 1 professional.

8) Petroleum Engineering 37.2

Filled existing production position to fill curriculum void but eliminated, 1 other position to achieve balanced teaching loads and a balance of faculty expertise in keeping with ABET accreditation recommendations. This streamlined department to appropriate size given its enrollment and course enrollment. Impact: Still able to offer a solid curriculum with reasonable teaching loads. Position eliminated: 1 faculty.

9) Student Affairs 29.9

Support for ASUA cost center clerk is supported half with ASUA fees (15.0) and half absorbed by Student Affairs. (15.0). Impact: 1 general fund position was deleted but function remained with joint support. Position eliminated: 1 classified.

10) Summer Sessions 105.0

Established compensation at 1/39 per credit hour to reflect appropriate derivation of academic year. Impact: Faculty salary reduction from prior years.

11) Chancellor's Office 94.2

Eliminated assistant to the chancellor position and related support. Impact: Reduced access and further reductions in efficiency.

12) IMS 71.0

Closed IMS Library and eliminated staff. IMS Library collection was merged with Bio-Med Library and staff by Bio-Med staff. Impact: Some loss of shirt-sleeve access but collection availability on West Ridge is being maintained. Positions eliminated:

1 professional, 1 part time temporary position.

13) Sabbatical Leave Replacement Support 400.0

The sabbatical leave program continues, but costs are being absorbed by colleges, schools and institutes. Sabbaticals are still be encouraged and granted. Impact: Requires more careful scheduling. Could result in deferring a new hire. This decreases flexibility of the school, college or institute.

14) Recruitment Relocation Fund 130.7

This fund has never been sufficient to cover any department's real costs. Thus, much of the cost is already borne by the hiring department. Positions budgeted 10, 11 or 12 months are being deferred in the hiring year by at least 1 month to cover relocation costs. For 9-month hires, this is being balanced by deferring position vacancy for at least 6 months or so to recover sufficient funds to cover relocation on other new hires. Impact: Loss of 1 month's service in the initial year of hire.

15) Geological Engineering 72.0

Reduced faculty position in geotechnics to bring program in line with student enrollment. Impact: only the minimum level of faculty remains. Position eliminated: 1 faculty.

16) Honors Program 19.2

Transferred honors program to College of Liberal Arts and reduced personal services. Consider merging clerical function within the college. Impact: Personal services reduction. Other impact to be determined.

17) Research 21.0

Deleted 1/2 time administrative assistant position. Impact: Some loss of efficiency. Position eliminated: 1 classified.

18) Library 194.1

In February 1987, we had 23 faculty, 4 professional non-faculty, 22 full-time classified, 8 half-time classified and a student labor pool of $267,000. Excellent services were being provided, but it was necessary to find more economical ways of providing services. The West Ridge libraries are being maintained, and there was no reduction in library hours. Impact: Increased workload on remaining staff. Classified staff are being relied upon more heavily, and some reorganization of services was necessary. Hours are maintained but professional librarians availability is more limited. Positions eliminated: 4 faculty (2 half-time and 2 full-time), 1 classified.

19) Media Services 174.0

Deleted the instructional media lead position, production manager position and production control position. Merged remaining graphics and photograph elements with photo lab elements of the Alaska/Polar Regions department. Impact: Reduced ability to provide video and other media support for programs. Positions eliminated: 1 faculty, 2 professionals.

20) KUAC 57.9

Eliminated the position of KUAC development director and increased underwriting. Impact: Loss of efficiency and some loss of time available for external fund raising. Position eliminated: 1 professional.

21) Museum 50.0

Income shift. As a result of the FY85 fee imposition, the museum was expected to generate 50.0 more than anticipated. Maintained service, but reduced general fund. Impact: Inability to expand curatorial support.

22) Wood Center 11.8

Deleted accounts clerk trainee.

Impact: Workload absorbed by existing workforce. Some loss of efficiency and loss of a training opportunity. Position eliminated: 1 classified.

23) Health Center 63.1

Physician's position became self-supporting through insurance billing or health fees. Impact: Small increase in insurance fees or health fees.

C. Program Reductions **3,055.7**

The following represent program reductions and follow a philosophy of narrowing the university's scope of mission by reducing whole programs rather than cutting back many programs across the board.

1) Arctic Environmental Information and Data Center (AEIDC) 708.0
Closed AEIDC as a separate center. Maintained the Alaska State Climate Center by transferring it ($131.1) as a public service program to the meteorological program of the Geophysical Institute. Established an arctic information center within the Rasmuson Library. Merged graphics operation with UAF research publications office. Retained small transfer staff and established as a Self-support operation within 1 year. Closed out Resource and Science Services Division.
Rationale: AEIDC had expanded beyond its original scope and purpose, occasionally duplicating existing university skills. An Arctic Information Center is extremely important and is being maintained through the Rasmuson Library , which is in the best position to maintain this service. The university is required by state law to maintain a climate center, but this is being done more economically through the Geophysical Institute. There was a loss of service with this reduction, but the essential elements are being maintained. While all of the work of AEIDC was valid, it was not essential that the university provide it. The private sector can adequately provide many of these services. Impact: Short term loss of data access during transition. University's ability to respond to state RFP process will be curtailed. Data base will be maintained and expanded. Short-term environmental work is negated. Loss of restricted funds and some overhead recovery. Positions eliminated: 19 professional, 17.5 classified.

2) WAMI 1,573.5
Disestablish the WAMI Program. We honored our acceptance of 10 1986-87 students, but this was the last group admitted. Contractual commitments to the University of Washington are being honored as students are phased out over 4 years. Rationale: WAMI had 2 primary purposes: to provide access for Alaskans to medical education; and to correct maldistribution of M.D.s in rural areas, where there is a shortage. The WAMI program has succeeded in meeting the first goal, but there is still a shortage in rural Alaska. Alternatives to the WAMI Program exist. Students may apply for financial support under the WICHE Program--there are 10 students attending medical school under WICHE. If this were insufficient, the state could establish, through a special provision of the Alaskan Scholarship Loan Program, scholarships for Alaskans to attend medical school. Finally, our current costs $1.6 million appear to be inadequate. UW has said they consider our FTE staffing of the first-year WAMI Program in Fairbanks to be inadequate and are recommending an expansion by about 3.2 FTE (approximate cost: $281.0). Additionally, to meet the state's request that we expand to 15 per students per year, we would need approximately another $400.0. Thus, our added costs to maintain the program in a period of declining revenues could be an additional $681.0. Impact: No direct access through Alaskan schools for medical education. Positions eliminated: 7 faculty, 2 classified.

3) College of Human and Rural Development 50.0
Eliminated staffing for special college library and replaced with graduate assistant Impact: Less support to faculty and students. Position eliminated: 1 professional.

4) Reorganized Sea Week/River Week Program to operate science education 65.4
component of the teacher education component and some curriculum support to school districts. Impact: Essential elements of science education are being maintained with balance of funding needed coming from local school districts and state and federal grants. Positions eliminated: 1 classified (half-time), 1 faculty (faculty position will be funded by grants and contracts).

5) Eliminated X-COP Summer Orientation Program for teachers going to rural Alaska, 20.0
school district support for Rural Teacher Orientation portion. Reduced general fund. Substituted program receipts. Impact: Unknown.

6) Athletics 100.0
Initiated programs to obtain increased private funding support or reduced staff support. Reduced general fund. Impact: If private support is available, it will not be noticeable. If not, direct program reductions will be made.

7) Museum Eliminated the Film Project, which was a public service project to produce films on various aspects of Alaska's heritage. Impact: No additional films are being produced unless under contract. Positions eliminated: 1 faculty, 1 professional.	131.1	
8) Library Reduced support of Oral History Program, which records aspects of Alaska's history from elders, and catalogs, edits and maintains it. Retained services of oral historian. Transferred 8.1 from other library savings and deleted photographer position in Polar Regions department along with 2 half-time support positions for the Oral History Program. Impact: Photographic conservation work is slowed. Retained services of oral historian but support is stretched. Positions eliminated: 3 classified.	72.7	
9) KUAC-TV Eliminated local production for national TV. Retained local production capability required to maintain licensing. All PBS will still be broadcast. Proposed a merger with the Journalism/Broadcasting department. Suggested all local production be student work by tie-in of production and instructional broadcasting staff. TV reductions: 1 professional producer, 1 classified, travel, service and supplies, engineering support supplied for a total of $107,291. Operational efficiencies: Reduced 1 professional position to half-time, eliminated quarter time classified position, reduced 1 classified position to 9 months, reclassified 1 position, reduced contractual services ($2,842), eliminated travel for a total of $54,208. Impact: Lost capability of producing national broadcast quality shows. Positions eliminated: 1.5 professional, 1.5 FTE classified (3 positions).	161.5	
10) College of Liberal Arts Eliminated tutorial program. Students seek assistance from faculty members or take advantage of math and other review sessions. ASUA could operate the program on a volunteer basis.Impact: Loss of tutorial support. Position eliminated: 1 professional.	40.0	
11) School of Agriculture and Land Resources Management Eliminated extension activities that interface with secondary school vocational agriculture. Reduced technician (7 months), 1/2 faculty position and 1/2 clerical position plus 7.0 in supplies. Impact: Public service interface was lost. Positions eliminated: 1 faculty, 1 professional, 1 clerical.	53.0	
12) Agricultural and Forestry Experiment Station Reduced field research support. Impact: Maintained less than optimum field support but operations remained functional. Position eliminated: 1 professional.	46.8	
13) Mineral Industry Research Laboratory Eliminated 1 lab assistant position. Reduced support to research activity but outside funding is being sought.Impact: Some loss of scientific productivity. Position eliminated: 1 classified.	33.7	
TOTAL REDUCTION - PHASE I		**$ 6,155.4**
PHASE II		**$ 4,189.6**
A. Travel Reduced out-of-state travel 30 percent.	209.0	
B. Deferred maintenance program Suspended 75 percent of the deferred maintenance program. This permits only emergency work to be done. Other requests are being deferred until the next fiscal year when, hopefully, the fund can be restored.	1,630.0	
C. Equipment Reduced general fund equipment by 80 percent. No further equipment purchases.	164.0	

D. Commodities and contractual services Reduced commodities and contractual services by 5 percent. Total commodities: 6,283.5; contractual services: 8,489.6.	739.0	
E. Temporary employment Reduced all temporary employment by 10 percent. This was a 10 percent reduction to all labor pool accounts. In the instructional labor pools, this was accompanied by a 10 percent salary reduction.	645.0	
F. Physical plant Reduced physical plant by contracting for some services.	200.0	
G. Parking Generated additional revenue by doubling the parking fee from $35 to $70 per year.	150.0	
H. Transcript fee Initiated a transcript fee, collected from all students at the fall registration and subsequently collected from all first-time students.	40.0	
I. WAMI Reduced the remaining WAMI funds. This savings was not available until FY88.	95.0	
J. Power plant Delayed addition of new boiler to the power plant, thus avoiding debt service payments for FY87.	200.0	
K. Intercollegiate Athletics Reduced Intercollegiate Athletics by eliminating intercollegiate swimming (49.0) and eliminating assistant coaches in skiing, cross-country, rifle, women's volleyball and women's basketball (63.0); reducing assistant hockey coach to six months (9.2); reducing quarter-time building supervisor (9.8); eliminating student trainer, labor pool positions (13.0); and reducing 1 clerical position to 9 months.	150.6	
L. KUAC Eliminated maintenance engineering--one-half (24.4); reduce labor pool and supplies in general manager's office (6.0), eliminated half-time graphic artist Fund 1--support through fund raising (15.9); and reduced other travel, supplies and contractual services (5.7).	52.0	
M. Institute of Marine Science Eliminated legislative add-ons at the IMS Seward Marine Center. This elimination was part of a package eliminating all legislative add-ons directed by the statewide administration.	10.0	
		$ 4,284.6
Less savings not available in FY87		**(95.0)**
TOTAL REDUCTION - PHASE II		**4,189.6**
TOTAL REDUCTION - PHASE I		**6,155.4**
TOTAL FY87 REDUCTIONS - PHASE I AND II		**$ 10,345.0**

APPENDIX C
UAF FY88 BUDGET REDUCTIONS
February 18, 1987

TOTAL **$ 3,744.0**

A. Deferred maintenance/repair and renovation 1,201.7

In the second round of FY87 reductions, this program was brought to a virtual halt. The FY88 budget restored funding initially, but because of additional reductions required, it had to be reduced again in FY88. This was the second year in a row that this program had to be deferred. In February 1987, UAF had an identified list of facility improvement projects that totaled more than $20 million. Projects deferred included: IAB-animal quarter upgrade 85.0; Duckering building structural corrections design 45.0; roof repairs to student housing facilities 60.0; Seward Marine station repairs 147.5; Palmer Experiment Station handicapped compliance 69.0; hazardous material storage 63.0; elevator replacement, Bunnell Building 82.5; upgrade to student housing heating system 150.0; fire alarm system upgrade 50.0; high voltage upgrade 50.0; water well replacement 45.0; Eielson Building repairs 78.0; Matanuska Experimental farm repairs 97.5; interior building renovation and repair 177.5.

B. Insurance/risk management 590.0

The systemwide FY88 budget has built in additional funds to cover the risk management program on a systemwide basis relieving the campuses of the portion of the risk management program which has been prorated to them for the past two years. Had we been able to reprogram these funds, and had no further reduction, they would have gone to expand our engineering research efforts in the Institute of Northern Engineering (200.0), to expand equipment (290.0) to the schools and colleges, and to offset some of last year's reductions in the library (100.0).

C. Administrative reductions (12 staff) 500.0

Eliminated library executive officer 81.0; reduced summer sessions director from 40 percent to 25 percent 13.7; eliminated security position 51.3; reduced fire department funding 15.0; eliminated business office position 77.3; consolidated CES/AFES 104.0; increased administrative services income 53.6; reduced supplies and contractual services 24.1.

D. Graphics (3 staff) 114.0

Eliminated 3 positions and support costs. All departments were charged for graphic services after these reductions. One of these was assigned on a self-support basis.

E. Intercollegiate Swim Program (0.5 staff) 50.0

Eliminated the intercollegiate swimming program. There were 11 swimmers.

F. Climate Center (2 staff) 131.0

Eliminated 1 professional and 1 technical position. Minimal functions are being fulfilled by the Geophysical Institute. Strive to rebuild the service when financial conditions improve.

G. Student Services 59.0

Eliminated one professional position. Restructured remaining positions to maintain existing student support services on a reduced level.

H. Student Services (1 staff) 50.0

Reduced labor pool funds.

I. Student Services/ASUA (0.5 staff) 15.0

Eliminated 1/2 time classified position which served as ASUA's cost center clerk.

J. Organized Research (1.25 faculty, 4 staff) 400.0

(1) AFES (1 faculty) 91.0. Eliminated coordinator of the applied reindeer research program. Maintained veterinary research program on reindeer, but management ability and support were diminished substantially. Eliminated course on reindeer industry.
(2) IAB (1 staff) 52.0. Reduced 1 FTE by consolidating support services.
(3) CCCS (1 staff) 35.0. Reduced 1 FTE staff position. Reduced ability to manage research contracts, field research support, editor assistance, and summer clerical support.
(4) GI (2 staff) 99.0. Eliminated communications engineer position and library support position. Reduced capacity to support research projects and develop new initiatives.
(5) IMS 65.0. Reduction in contractual services and commodities. Limited support of research and limited ability to upgrade equipment from overhead recovery funds as those are being used to offset some of the fixed costs in contractual services.
(6) MIRL 28.0. Reduction in non-personal services reducing research support.
(7) PDL (0.25 faculty). 30.0. Reduction in general fund support of director's position by 3 months. Director was expected to support some of his salary from grants and contracts.

K. Museum (1 staff) 35.0

Eliminated 1 position in collections development. Reduced maintenance of collections.

L. KUAC - Public Broadcasting Reduction 598.3

Governor Cowper recommended no state support for public broadcasting and has, therefore, reduced the university's appropriation by $600.0. However, $530.0 was restored to KUAC in the Dept of Administration budget for Alaska Public Broadcasting.

TOTAL FY88 PROPOSED REDUCTIONS $ 3,744.0

Note: Finally, $1.2 million in staff benefits and $8 million in direct compensation must be accomplished for a balanced FY88 budget. The staff benefit reduction will be accomplished through savings in the university's required contributions to the retirement systems and will not impact employees.

APPENDIX D
1986 BUDGET FLEXIBILITY TASK FORCE SUGGESTION BOX

Financial Operations

--Eliminate practice of sending hard copy messages after computer mail
--Send computer mail instead of letters
--Require word processing training for administrators
--Establish incentives to reduce use of Xeroxing Copy reports using two-sided copying
--Contract for telecommunications services system-wide
--Contract (bid) travel
--Move the following toward self-support activities
    (a) Housing
    (b) Bookstores
    (c) Food Services
    (d) Faculty housing
    (e) Parking (maintenance, operations, security)
    (f) Student centers
    (g) Intercollegiate athletics
    (h) Non-credit instruction
    (i) Conferences and institutes
--Review all prior approvals required by Statewide for
    -(a) Necessary to coordinate information/process?
    -(b) Necessary for statutory compliance?
    -(c) Rationale for not eliminating control aspect and replacing with reporting and post-audit?
--Implement a "Sell White Elephants Endowment Programs" (SWEEP), whereby items acquired by the university that had no institutional value but have real market value are identified and sold, and income from the proceeds used for general operating purposes.
--Permit community firms to place advertisements on athletic tickets n exchange for payment of printing costs
--Overcome low-occupancy rate by allowing students to receive a dormitory room in exchange for work on campus, usually in the area of their major.
--Curtail photocopy expense costs for consumable supplies, capital expenditures, travel expense, telephone toll charge costs, and costs of systems and procedures.
--Implement a computerized bar-coded central mail-processing system to accurately record daily mail transactions for all university accounts.
--Change to a two-way envelope for student billings so that envelope mailed to the student could be used to mail back payment.
--Institute self-insurance program for parcels shipped by postal service to cut costs and improve service claim time.
--Eliminate envelopes for mailing bulletins by printing postal information on last page.
--Institute controls on sending items first class without special permission from business office and undertook a user-education program on how to better use postal system.
--Centralize copying responsibilities.
--Require food service contracts to pay for renovation of facilities and place one-half of all gross margin above a set percentage in escrow to pay for future renewal and replacement.
--Have vendor agree to maintain specific inventory of supplies based on past history and deliver them on request.
--Simplify purchase-order process by issuing bank credit cards to selected staff members for material and supply purchases under $100.
--Implement a small order procedure called a "check requisition" procedure for biochemicals and scientific supplies, whereby authorized personnel use purchase requisition number as order number.
--Have field agents in cooperative extension call an 800 number that the toll-routing switch answers; after authorization number is entered, the campus number could be dialed at about half the cost of a regular long distance call.
--Employ mail-registration system for previously registered automobiles to make process more convenient and less time consuming.
--Use hand-held minicomputers to issue parking citations with all data uploaded electronically to master system at the end of the day.
--Use three-wheeled motorcycles to replace most service trucks; improve response time and access and lowered maintenance and fuel costs.

–To PROTECT monies needed in the next fiscal year, a plan could be devised whereby a BONUS is paid to the manager and manager's staff, consisting of a percentage of the saved monies.
--Create centralized purchasing for identified bulk items, to improve price breaks. Create a combined-free parking-sticker and Activity card for UAF, UAA-ACC, optional, wherein the combined fee is less than the two separately.
--Secure commercial cards at Anchorage COSTCO and PRICE SAVER stores. ---Bids for small structures:
-- Allow university employees the opportunity to bid when opened vendor bids exceed a predetermined 'reasonable rate' per square foot.
- -State in the bid that no bid in excess of xxx dollars will be considered.
--Utilize existing physical plant employees to effect these structures.
--Suggest that extensive architectural involvement is unnecessary in simple structure - simple use building.
--Offer the bid to the local student body organization at a university-determined price, materials plus xxx dollars for labor, providing the student bodies with opportunities to raise funds and exercise skills.
--Negotiate with the airlines for fixed, lower prices on airline tickets, with a guaranteed minimum ticket purchase.
--Expand the UAF central stores concept and warehouse supplies for the whole system. Buying in carload lots on a bid would certainly be cheaper than processing individual purchase orders or even through LPO's.
--Reduce or eliminate spot purchases for special items, e.g., a trip to the local plumbing supplier every time a new faucet is needed.
--Insure that the full power of annual contracts and mass purchasing available through a system of this size is utilized.
--Insure effective use of vehicles.
--Systems Contracting - this involves an arrangement where vendors agree to stock a specific supply inventory and deliver items on request, cutting time needed to obtain price quotes and orders, while trimming inventory space requirements.
--Bar-coded Central Mail Processing System - this system accurately records daily mail transactions.
--Central Stores Rental Equipment Tracking System - state-of-the-art bar- techniques for tracking vendor-owned, compressed-gas cylinders, typewriters, transcribers, and other office equipment eliminated demurrage charges, while making billing more equitable and accountability stricter.
--Standardize all essential, common items and purchase in bulk, i.e., office supplies, automobiles, office and laboratory furniture and equipment.
--Local blanket Purchase Orders.
--Assign a percentage cut to each vice-presidential area.
--Reduce support to auxiliaries.
--Contract out certain support services.
--Emphasize economy, planning, efficiency and care in use of supplies, paper telephone, duplicating, mail and printing and reduce expenditures in these areas.
--Increase productivity by reducing paperwork and red tape and encouraging delegation and job enrichment and enlargement, thus reducing the need for part-time staff and perhaps allowing the elimination of several positions.
--Reduce service hours in various areas. - Reduce computer services and costs; make departments pay for what they use.
--Update mailing lists, thereby reaching the right people and eliminating wasted postage.
--Computerize more systems, thereby reducing the number of staff necessary.
--Reduce or cancel university-paid memberships and entertainment. - Eliminate rentals; transfer items to campus.
--Shift general fund positions and expenditures to non-general funds positions and expenditures.
--Reduce or eliminate external consultants; use faculty.
--Coordinate and reduce advertising and publication and printing expense; convince advertisers to pay for certain publications; introduce advertising in alumni publications.
--Reduce insurance coverage.
--Eliminate university payment to the bookstore for staff discounts.
--Encourage greater use of word processing and typing pools in order to reduce the number of staff.
--Allow typing and clerical support staff in one area to work temporarily in other areas or to be given work from other areas when time is available in one unit and there are needs in other units.
--Encourage implementation of an effective suggestion system to focus on decreasing expenses, increasing income and increasing productivity.
--Office space should be used more practically. There is no need for every person to have a private office (especially in the case of administrative assistants and clerical staff). Many faculty could share office space.
--Eliminate excess support clerical staff at all units (There are too many receptionists, secretaries, and administrative assistants doing tasks other than secretarial work).

--Require reports from all independent contractors before any final payments are made.
--Strengthen regulations and consequences of personal use of University funds, especially in areas that may have legal implications such as misuse of postage meters and petty cash funds.
--Strengthen self-supporting programs such as Continuing Education.
--Consolidate publications and information offices. The University needs only one press, not a print shop and newsletter for every unit.
--The Service Center could be resurrected.
--The most efficient and economical method of originating a letter or memo is machine dictation. Because the author can dictate anytime and anyplace without the secretary's availability, and without interruption, the 80 wpm average composition rate is not hampered. Recognizing the value of machine dictation skills, many companies offer training sessions to assist authors in reaching maximum efficiency.
--Standardization of stationary: bulk printing and purchase of standard university stationery could save dollars if its use became widespread and the printing of elaborate individual unit stationary was reduced or eliminated.
--Strengthen national and international connections and emphases.

Income

--Increase bad debt collections
--Increase fees for computer use, parking, library and physical education
--Increase tuition for graduate students this year
--Hire part-time employees to call delinquent borrowers in evenings and on Saturday mornings to seek payments.
--Make space available on campuses for use by community groups, at a lease/rent rate. '
--Initiate a paper, glass and metals recycling program.
--Sell university land and/or assets.
--Increase fees and charges to auxiliaries.
--Shift investment portfolio, sacrificing growth to some extent but gaining greater income.
--Institute new fees, such as laboratory fees in particular areas, to cover additional costs or costs of services provided.
--Review present fees to determine if they should be increased to cover costs.
--Increase tuition.
--Change investment policies with regard to options and other investment opportunities.
--Increase overhead charges to auxiliaries.
--Institute some type of surcharge on collateral employment of faculty and staff.
--Establish joint research ventures with business and industry.
--Include depreciation changes in charges to auxiliaries and in the auxiliaries' fees.
--Continue efforts in the area of money management in order to increase funds available.
--Reduce tuition remissions generally, or in particular areas where "paying" students could take a limited number of spaces.

Travel

-Establish policies on out-of-state travel
- Faculty only when presenting paper
- Administrators only when demonstrated job enhancement skills which
(I) are not available in Alaska (2) benefit institution

--Establish computer listing of national conferences with list of all UA personnel attending (to discourage too many)
--Require trip report on conferences, with proceedings information shared with others interested
--Investigate bringing trainers to Alaska rather than sending staff outside for training
--Restrict reimbursements for out-of-state conferences & workshops (since employee benefits from participation)
--Establish policies on in-state travel - Meeting chair must file written justification to avoid use of audio or computer conferencing
--Enter into agreement with travel-card company to provide employees with corporate travel card to make their own arrangements and to be reimbursed.
--Centralize travel-purchasing procedures by opening on-campus travel office, formulating new travel policies and developing computerized reporting system for it.
--Implement competitive bidding program for air transportation demand. --Prepay annual cost of fares and services

provided by local commuter airline by purchasing flight coupons in advance of actual travel.
--Conduct campuswide examination of all internal and external rate schedules, and make changes such as elimination of WATS lines where called for.
--All meetings to be convened at the most cost-effective location, the meeting convener to be responsible for calculating this site, after surveying for attendees.
--Corporate Travel Card Program - provides university employees with a corporate travel card on which to charge travel-related expenses, which are reimbursed upon request. This system eliminates the need for travel advances and streamlines other procedures.
--Cut down on travel. Many meetings which may co-workers attend in other parts of the state could be held via teleconference. Travel outside the state can and should be reduced substantially.
--Reduce travel, entertainment, and conference expenditures and reduce the number of off-campus workshops.
--The U of A should eliminate the practice of holding meetings and conferences in places like Chena Hot Springs and Holy Spirit Retreat. There are adequate facilities on many of the campuses that would be more cost effective.
--Evaluate ANHRDP's travel budget and contractual arrangements - require trip and consultant reports from all units.
---Strengthen the use of audio, computer, TV and other distance education, thus decreasing need for travel by administrators or instructors.
--Investigate and eliminate conflict of interest such as use of airline by a director a program because he or she is also a member of the airline board of directors or owns stock in the company.
--Eliminate the practice of allowing a husband and wife to collect separate per diem on the same trip, especially when food and lodging are already provided by a University sponsored program.
--Eliminate car rental unless it can be proved essential and cost effective.
--Limit taxi reimbursements to $25.00 maximum and require proof of taxi destination for amounts over $10.00.
--Eliminate practice of sending chancellors and vice chancellors on trips together, especially to Juneau.
--Curtail the frequent one day trips.
--All travel should be supported by trip reports describing the need for the trip and what was accomplished that could not have been accomplished by phone or audio-conference.

Personnel

--Shorten contracts for administrators to 10 or 11 months
--Reduce contracts to 35 hours
--Eliminate use of search committees unless exceptional circumstances
--Revise affirmative action process to concentrate on development, results, not compliance with procedural steps
--Restrict latitude in advertising for positions
--Shorten time period for hiring temporaries
--Establish process for inter-MAU transfers of employees (not positions) within AA requirements
--Revise exigency policy Establish exigency possibility at MAU level Establish faculty peer review process for program reduction.
--Establish "pre-exigency" notification to begin taking prudent management steps
--Restrict ability to grieve declaration of exigency to single opportunity
--Produce in-house training video tapes to provide more flexible, standardized training.
--Develop comprehensive, lifestyle-counseling and fitness program for all full-time faculty and staff.
--Intervene early with counseling rehabilitative, and employment services in certain cases to alleviate chronic unemployment and save on workers' compensation expense.
--Create student-labor pool to provide housekeeping, custodial and grounds maintenance and some repair and maintenance of laboratory equipment.
--All vacancies to be vacant a minimum two weeks prior to filling.
--Use of student labor in place of classified, to a greater extent than currently practiced.
--Perform an analysis of academic departments, which establishes a fixed ratio of APT and Classified to total full-time, total part-time faculty.
--Expand the use of graduate assistants to teach sections.
--Use less skilled, less expensive, employees wherever possible. For instance, temporary student help can be used for certain maintenance and repair projects.
--Centralize highly skilled and highly paid employees to insure that they are exercising their special skills full time. Develop a statewide corp of maintenance specialists in HVAC and control systems, elevator or other technical equipment repair, boiler repair and adjustment, etc.
--Regularly review the cost/benefit comparison between contracted and inhouse work.
--Use student labor forces in the areas of janitorial service.

--Secretarial services should be organized so that transcription is separated from other tasks at least for those certain periods of the day. Transcription can be rotated to offer variety.
--Use a simplified and standard format. By limiting the physical effort (keystroking) and mental (decision-making) time of the secretary, document production cost is minimized.
--A pay cut should be instituted immediately. Reduce all teaching and research faculty appointments to nine month positions; reduce all other salaries either by an across-the-board percentage or on a sliding scale with the largest percent reductions at the top, tapering down to only a small reduction for the lowest-paid employee; use student help whenever possible, not to eliminate job opportunities for others, but to permit students employment opportunities to meet their rising costs.
--Increase student employment as substitute for other employees.
--Emphasize flex-year approaches and job sharing in order to reduce personnel costs.
--Where possible, employ part-time employees or nine- to ten-month employees rather than full-time employees.
--Encourage early, retirements if these are, in the long run, cost effective. ---Encourage leave without pay for staff.
--Reduce the number of support staff, secretarial staff, and assistant and associate directors and deans.
--Reduce expenses for recruitment of staff.
--Furlough all or some staff for a number of days each year; this would be unpaid vacation.
--Veterans, minorities and women should be given preference in positions at the U of A and should not be eliminated from their jobs unless their positions are non-functioning or of a duplicative clerical nature (for instance, the legislative liaison position - the U of A administration can contact the legislators). We would hope that the gains in EEO would not be the first to be diminished by the budget reductions.
--Eliminate Vice Chancellor positions unless it can be shown that they serve a vital academic or instructional function.
--Eliminate special assistant positions.
--Eliminate public relations positions.
--Any position created to accommodate former CCREE Chancellors, former Vice Presidents for Rural Education, former Northwest Community College presidents, etc. should be eliminated. There should be no obligation on the part of the university to create positions for persons removed from other high level, high paying positions.
--Faculty, staff, and administrative personnel selection committees should be eliminated. The decisions to hire personnel should be left to the administrator in charge. The process of using community input on selection has gotten out of hand and has only served to strip anyone in the decision of responsibility for the action.
--There is no need to have finalists tour the state or community, which is always at great expense. All face-to-face interviews should be at the candidates' own expense.
--Have all employees contribute to a coffee fund for their office or bring their own supplies if they wish.
--Encourage early retirement for those employees with 20 or more years of service.
--Eliminate sabbatical and other related leave programs.
--Restructure retirement system. Allow one year of retirement benefits for each year of service rather than retirement in perpetuity after five years. --11-month contract with deferred pay if desired.
--Shut the university down. Everyone take the same month off.
--Stagger month off for all staff.
--Revise personnel compensation and benefit policies based on
- Classification of employee (classified, crafts?, APT, Executive, Faculty)
- Status of employee (temporary, term, probationary, full-time 12 months, full-time nine months, part-time)

--Define employee classification and status groups (especially term employees)
--Establish basis for compensation and benefits as
- What it takes to attract employees
- What it takes to retain and develop employees

Compensation

--Cut all contracts by two weeks
--Change payroll to monthly with mid-month draw
--Establish compensatory time policy to allow use of comp time within limits set by law and manager's decisions
--Establish process for any necessary accounting for comp time carrying between pay periods
--Eliminate 3% pay increase for end of probationary period
--Eliminate automatic IO% increase for promotion
--Give manager discretion within bounds for promotion increase
--Eliminate automatic 5% increase for reclassifications
--Allow lowering of salaries based on reclassification

--Eliminate area differential for Fairbanks
--Convert all Fairbanks employees to same pay without differentials
--Red-line any Fairbanks employees who now exceed Anchorage base
--Keep area differential for rural areas - adjust to state study/market
--Allow reduction of lower end of ranges based on market
--Make range size dependent on classification/status of employee
--Establish annual (regular?) market adjustments to ranges
--Shrink range size in employee classifications where possible Freeze on use of Overtime
--Three days NO PAY, or three days forced ANNUAL LEAVE during week of Christmas/New Years holiday.
--Change the percentage given for Promotion and Re-evaluation.
-- Reduce overtime.
--Review evening session compensation.
--Trim salaries of the President, Vice Presidents, Chancellors, and Vice Chancellors to $50,300 as they are economically best able to absorb the cuts.
--Nine-day pay period with everyone out on the tenth day without pay. --Flat per cent cut in pay.

Benefits

--Examine executive benefits- housing, automobile, representational
--Establish process to monitor turnover by employee class/status/location --Sick and annual leave accounting
- reduce accruals
- reduce carryforward
- combine sick and annual leave

--Establish employee as primary concern in offering benefits
--Family benefits are secondary, and only awarded when there is a rational (marketplace) reason to do otherwise
--Change health care benefit to focus on/strengthen wellness
--Commission University's benefits consultant to examine:
- (a) Cost of dependent health coverage
- (b) Effect of raising deductibles
- (c) Effect of charging employees to use family coverage
- (d) Effect of establishing personal deductible with refund system
- (e) Cost/benefit ~r offering wellness benefits
- (f) Cost/benefit of all or partial cafeteria plan for benefits

--Examine life insurance cost/benefits
- (a) Different by class of employee
- (b) Effect of >$50,000 taxability

--Establish cost of dependents tuition waivers
--Consider wellness programs
- (a) Make it more expensive for employee to be sick--reduce sick leave or combine with annual, deductibles, reduce emergency coverages
- (b) Give benefits for participation in wellness program--health club fees, preventative medicine, release time for acceptable wellness programs

--Develop in-house health and physical fitness program to encourage healthier lifestyles among employees.
--Alter UA PENSION plan to place a freeze on the maximum dollar amount. In 1985 the max is calculated on $39,600 making a maximum contribution of $2,427.48.
--Limit maximum annual leave balance that can be carried forward to next calendar year to two weeks.
--Place a cap on total dollar value of employee benefits of health-life-long term disability-tuition waiver-pension.
--Change the university life insurance to a flat $50,000 policy per employee, rather than two times annual salary.
--Change the terms of Tuition Waiver. Set the limits at three credits/ semester/employee, nine credits/semester/dependent with maximum of 24 credits/semester/employee plus dependents.
--Allow the employee to 'purchase' additional credits for future use, through allocation of benefits dollars.
--Second Surgical Opinion - for certain types of non-emergency surgeries, regardless of whether they are performed in or out of a hospital setting, the plan requires a second physician's opinion before full plan benefits are payable.
--Home Health Care - as your health begins to improve following a surgery or illness, the level of medical care you need decreases. If you have been hospitalized, or have been recuperating in an Extended Care Facility, you may reach a point where hospital or ECF confinement is no longer necessary even though some degree of structured professional care is needed. Home Health Care services may be an appropriate alternative.
--Hospice Care - is a program designed to minimize the emotional trauma associated with a terminal illness. In a

Hospice program, the terminally ill patient receives health care benefits at home, or at an inpatient facility for short periods. Care focuses on controlling pain and other symptoms associated with terminal illness while helping the family as well as the patient acknowledges the approach of death.

--Hospital Precertification Requirement - non-emergency hospital admissions require you and/or your physician to obtain precertification prior to admission to the hospital.

--Mandatory Outpatient Surgical Requirements - the level of care provided in a hospital is not always necessary for certain types of non-emergency surgery. In fact, when no other complicating medical conditions are documented, many surgical procedures can be done safely and less expensively on an outpatient basis.

--Same Day Surgery and Preadmission Testing

--Professional Review Organization - the PRO has registered nurses and physicians that are available to assist employees in obtaining the most cost effective health care. Contact can be made by toll free telephone numbers. --Implementing Stringent Enrollment Information Requirements.

--Implementing Flexible Plan or Cafeteria Plan

--Implement Employee Assistance Program - a separate EAP could be established for each location, or a telephone service can be used. The idea is if employees receive counseling early, they can reduce stress and its physical manifestations.

--Keeping Employees Informed - health care preventive information for employees. Video programs to inform employees about the health plan and how to utilize the universities medical benefits and keep cost containment low. Encourage employees to request their physical to prescribe generic drugs.

--Review Existing Plan for Deficiencies.

--Periodically Audit Insurance Carrier Claim Payments.

--Eliminate all housing benefits and University car use.

-- Give up two or three paid holidays with personnel having the option of taking leave without pay.

--Receive one hour annual leave less per pay period = 26 hours an employee.

--Give up some insurance benefits

Equipment

--Obtain capital appropriations for extensive purchase of PC's for permanent full-time faculty, system-wide. Long-term savings could then be realized through:

- overall reduction in clerical support services, and
- reduction on telephone usage.

--Pool technical equipment statewide to minimize duplicate purchasing or leasing.

--Reloading Ribbons in Computer Printer Cartridges - instead of discarding spent cartridges, reload the cartridges with new ribbons.

--Increase use of computer output microfiche. There could be significant cost savings in three areas: computer paper, labor for de-collating and bursting and courier charges.

--Site licensing of microcomputer software - many software vendors are starting to offer site licensing rates on their products. Popular software packages could be site-licensed to the university system, eliminating the need for individual units to pay the full price many times over.

--Reduce expenditures for equipment, furnishings, typewriters calculators and computer terminals.

--Share wide range of equipment among four institutions in consortium.

Computing

--Cut UACN access times

--Conduct independent cost analysis of UACN alternatives

--Continue SIS development, but micro-based for small units

--Investigate use of INSITE as property system on IBM

--Migrate FAS/Budget to IBM as soon as possible

--Investigate purchase of IBM payroll package to replace current payroll

--Eliminate Honeywell as soon as possible

--Investigate chargeback of certain UACN services to units

--Distribute 90% of existing budget for these services to units with declining requirement of UACN service purchase

--Investigate use of microfilm/microfiche without chargeback to encourage usage

--Suspend HRIS development and implementation

--Investigate purchase of off-the-shelf IBM payroll packages

--Investigate development of micro-based personnel records Reasons for 9(a): vendor problems, communications upgrade, provides ineffective personnel records, hardware insufficient, IBM payroll packages available, five

programmers available for (Honeywell migration, IBM payroll, SIS, micro HRIS), SIS possible without hardware upgrade, unit savings from ending development/testing (estimate seven FTE), morale, may be able to get IA SIS concessions, doesn't require modifications to budget systems Problems with 9(a): political - legislature and administration, morale, sunk costs, development of micro-based personnel records systems, development/testing system

--Consider decentralization of academic computing, but look at effect on maintenance, software upgrades, local initiative, service, local usability, responsiveness of UACN

--Accelerate ECCC traffic and alternatives study

Governance

--(a) Eliminate Statewide Assembly
(b) Require creation of faculty governance mechanisms at MAU's
(c) Encourage nonfaculty involvement in decisions where appropriate
(d) Offer workshops on employee participation in management - when and how to do it; require all managers to participate

--Combine Regent committee and full board meetings

--Reduce number of Regent meetings from eight to six (increase number where business is transacted from four to six)

--Review items which go to Regents for need and appropriateness

--Review Regents presentations (who makes presentation?)

Academic

--Review faculty workloads

--Establish program discontinuance process

--Hire people away from industry by paying them to teach their specialty for 30 plus hours a week and also do ten hours of maintenance work on campus equipment under an extra-service contract.

--Reduce the number of courses and the number of course sections.

--Reduce duplication of courses (i.e., similar courses given in two or more colleges or departments).

--Phase out, eliminate, or reduce expenditures for public service functions of the university.

--Phase out, eliminate, or reduce expenditures for academic functions, services, and activities that are not essential to support the academic mission of the university.

--Phase out, eliminate, or reduce expenditures for academic majors, programs, units, services,and activities that are not:

- central to the mission of the institution;
- of major importance to the university; and - of high quality and/or low cost (and where there is little likelihood that the institution could afford to raise the quality or generate income to offset costs).

--Fill some portion of vacant faculty positions with qualified adjunct faculty and graduate assistants.

--Change the calendar if this would help enrollment or energy costs.

--Cross-train faculty so that those who have fewer students or courses because of enrollment trends can teach in other areas where there is ample enrollment.

--Reduce the number of visiting scholars and lecturers.

--Reduce the number of graduate assistantships and stipends paid.

--Reduce library expenditures.

--Consider evening college and summer school as part of the regular workload.

--Reduce or eliminate academic no-need scholarships.

--Off-load general fund scholarships onto restricted fund scholarships.

--Increase and enforce the number of students required in order to run a course.

--Reduce number of independent study courses.

--Emphasize inter-library loans, use of technology, and other means of cost savings in order to reduce library expenditures.

--Reduce university subscriptions to newspapers, magazines, and journals. --Strengthen academic teaching functions and curriculum

--Eliminate the practice of bringing friends and colleagues from outside of Alaska as consultants or conference speakers.

--Curtail the practice of contracting a spouse as a consultant or "expert" and other forms of nepotism

--Courses (statewide) with less than 12 students should be canceled.

--Trim the athletics programs at all major campuses.

Physical Plant

--Shut down all facilities during winter holidays.
--Adopt Carter regulations on energy conservation
--Close campuses at certain times - summer, Christmas
--Contract janitorial-maintenance functions (multi-year for maintenance) ---Reduce landscaping and beautification/ replace with volunteers
--Cut back on fuel consumption by operating nonessential air-conditioning systems only when weather forecasts predicted temperatures of 73 degrees or more lasting a least 48 hours.
--Slow down supply and return air fans by changing sheaves (pulley sizes) thereby reducing power to run fans by the cube of the speed reduction.
--Used an aquifer, on underground, waterheating strata, for cooling facilities, instead of traditional air-cooled, air-conditioning system.
--Change lighting fixtures and install cycle timers in stack areas with lighting in open areas controlled by motion-detection devices.
--Install motion sensors connected to light switches and heating/ventilation units to control use.
--Install silver reflectors on existing fluorescent light fixtures to increase reflectivity and allow some tubes and ballasts to be removed.
--Install motion sensors to control use of electric lighting.
--Redesign control circuitry of gymnasium lighting system by rewiring ceiling fixtures and installing additional circuits, to allow for alternate use of lights above particular court areas.
--Reduce power factor charged by utility company by installing primary voltage capacitors and attendant switchgear.
--Modify kitchen ventilation hoods by using filtered, untempered air to partially make up the exhaust volume.
--Give financial credit back to each residence hall that saved energy, and allow savings to be used for capital nonenergy-intensive improvements in those halls.
--Begin energy-awareness program campuswide using posters, stickers and feature articles; also, use energy-reporting forms for reporting areas of energy waste.
--Establish formal hours for academic building use, in order to: reduce hours needed for custodians; permit heating/cooling levels of buildings to be changed during hours of non-use and discourage use of large classroom areas for individual student study.
--Connect series of heat pumps to a secondary water loop that recovers waste heat used to preheat domestic hot water.
--Coil copper tubing around compressor discharge line on hockey rink ice-making equipment to recover waste heat to heat building showers.
--Implement retrofit system to convert single-glazed windows to insulating thermal pane windows.
--Contract for energy management system in which contractor installs
equipment at his own expense and shares with college in money earned by energy savings.
--Equipment to be turned over to college when contract expires.
--Develop system consisting of a series of energy-accounting and management computer programs designed to keep staff up-to-date on consumption and cost trends.
--Institute system of dynamic temperature control based on thermal inertia of building and outdoor temperatures.
--Install computerized energy management system.
--Hire instruments technician to keep system tuned, allowing personnel to experiment with energy sources, and reducing lighting levels.
--Install automated energy management system with host computer and microprocessors in each building.
--Introduce stand-alone, sensor-based digital computer system to regulate air-handling equipment in selected university buildings.
--Implement two-phase (general and specialized) program to upgrade knowledge and skill levels of building operators on integrated building systems.
--Purchase infrared detector to locate hot spots in electrical systems and do roofing surveys and check for steam leaks.
--Establish on-campus office-machine repair shop.
--Allow a hillside to return to natural state by repairing erosion and planting seedlings rather than doing conventional landscaping.
--Complete building shutdown after midnight.
--Institute four-day week from first of day through mid-August and close buildings, shift classrooms, disconnect every other light in offices, corridors~ and classrooms, use fans in gymnasium.

--Convert all reports to computer-output microfiche from paper for lower cost and ease of access and storage.
--Place Word processing terminals in homes of qualified typists and link to typesetting devise located in printing plant.
--Design and install on valves a simple, inexpensive, plastic spacer that reduces water used by about 50 percent.
--Change building specifications on all future buildings to increase the R factor.
--Prepare a schedule for the renovation of existing structures to increase insulation factor and obtain capital appropriations, citing specific long-term costs savings.
--Adjust HVAC thermostat settings to 65 degrees for heating and 78 degrees for cooling.
--Install tamper-proof thermostat covers.
--Reduce domestic water heater settings to 105 degrees.
--Provide automatic timers to turn off equipment not in use (e.g., building systems, pumps, cooling equipment, fume hoods, etc.)
--Establish illumination and candle light output standards. Standardize fixtures to reduce numbers of types. Select energy saving fixtures and bulbs. Reduce lighting levels to the minimum required by removing tubes and bulbs from light fixtures. In some instances the removal of unused ballasts may be possible.
--Prohibit, or restrict, the use of portable electric heaters and fans.
--Disconnect electrical connections from refrigerated drinking fountains.
--Install switches to control lights in specific work areas.
--Encourage employees to turn out lights in work areas when they are not in use.
--Reduce the hours per day that heating and cooling systems operate.
--Install centralized metering devices on buildings to permit monitoring of energy consumption and identification of excessive energy use and unusual energy use patterns.
--Limit off-hour use of university facilities.
--Publicize energy management policies to university employees. Set up a monitoring system with violations reported to administrative staff.
--Reset mixed air temperature in terminal reheat systems.
--Reset deck temperatures in dual duct systems.
--Reduce ventilation rates during occupied periods.
--Reduce exhaust hood use.
--Increase ventilating system maintenance with particular emphasis on more frequent replacement or cleaning of filters.
--Adjust and calibrate controls.
--Improve equipment maintenance in kitchens and laboratories.
--Replace leaky intake air dampers.
--Modify lighting controls, and fixtures.
--Insure that heat generated by special equipment such as computers is recaptured rather than exhausted.
--Reduce water consumption through the use of flow restrictors, automatic valves and enforced use regulations.
--Reduce frequency of certain custodial activities allowing a custodial work force reduction.
--Reduce or eliminate specialized in-house shop fabrication that is not cost effective, e.g., drapes, cabinets, furniture.
--Coordinate activities of all physical plant at statewide to ensure standard practice and eliminate costly operative methods.
--Develop statewide scheduled maintenance policy.
--Develop statewide physical plant task force to solve physical plant problems and coordinate with capital improvement programs.
--Centralize physical plant standards, policy and methods of operating while still leaving day-to-day control at the units.
--Postpone major building projects.
--Emphasize energy cost savings throughout the university, including not only major items such as heating or cooling building or converting boilers, but also smaller items such as shutting off lights, reducing use of elevators, and reducing the number of fans or heaters.
--Reduce maintenance and custodial expenses, e.g., provide cleaning services or painting less often, or ask staff members to place waste baskets in the hall at night.
--Close campus at certain times or individual buildings in order to save utility and maintenance costs.
--Defer major and minor repairs and maintenance as much as possible.
--Trim facilities and planning staff to essential positions.

Organizational Structure

--Redefine unit mission statements in light of revenues

--Establish constraints on units in mission statements

--Restructure units internally to conform with unit missions

--Two major campuses contain duplicative offices. These could be combined, reducing the total overall staff required without reducing services in any way. UAA and ACC, for example both have OHRD, Purchasing, Travel. UAF, Statewide, TVCC and CEX also have duplicative ORHD, with UAF, TVCC and CES replicating Purchasing and Travel.

--Combine community college academic offerings at TVCC and ACC with UAF and UAA academic programs. Where community college courses are of the "community interest" type, let the school districts offer them in their night programs.

--Let UAF build up its science and research abilities while offering only enough liberal arts courses to allow completion of degree requirements. Let UAA become a liberal arts campus with full development of those programs while offering only enough general science courses for degree requirements. We must stop duplicating programs, faculties, and facilities. --Move UA statewide personnel to Juneau to occupy the UAS facility The proximity to the legislature would serve us well and cut down on in-state travel. Move UAS course offerings to another campus if not offered elsewhere.

--There should be one Rural Education Center to serve the entire Yukon area (Galena). There should be one Rural Education Center to serve the Delta area (Tok).

--All rural education courses should be delivered by audio-conference, television, videotape, and computer conferences, eliminating the need for duplicative administration and faculty travel.

--Community College should turn all of their audio-conference courses over to Rural Education, thus reaching statewide, including Southeast, in one organized, coherent manner.

--The local government position of Cooperative Extension Service should be eliminated and its functions turned over to the State of Alaska Community and Regional Affairs, which duplicates many of those activities anyway.

--X-CED positions should be eliminated and their functions turned over to Rural Education.

--Eliminate vocational-technical position at Northwest Community College and turn the functions over to the State Department of Education.

--Eliminate the Support Services Director position at Rural Education

--Eliminate all Policy Advisory Committees for Rural Education as they have no real policy functions anyway.

--Eliminate the Statewide CCREE Assembly.

--Eliminate the CES Advisory committees. Eliminate other statewide advisory committees.

--Consolidate the four Aleutian Chain rural education centers under Kodiak.

--Transfer UAITS to LEARN/ALASKA or academic units.

--Consolidate Anchorage Community College with UAA so only one administration exists.

--Consolidate Tanana Valley Community College with UAF under one administration.

--Consolidate personnel offices - Have only one statewide office.

--Eliminate all non-essential U of A committees.

--Eliminate need for transcript request from each unit. Consolidate into one admissions and records office for the statewide university.

--Eliminate campus presidents' positions. They should be academic deans.

Islands and Ketchikan Community Colleges should be administered under UA/Juneau.

--Chuckchi and Northwest Community Colleges should be merged.

--Consolidate all admissions and records in one statewide office - there is a tremendous duplication of efforts in these offices as they now exist. There should be only one EEO office.

--If each campus were required internally to allocate its dollars to the NCHEMS category "instruction".

- on the basis of the Commission on Colleges, Northwest Association of Schools and Colleges standard of 250 minutes per credit hour per semester, present dollars would provide more instruction and reduce new space demands. Savings could be identified on many campuses.
- on the basis of Regents policy minimums of 60 credit hours for an associate degree, 120 credit hours for a baccalaureate degree, and 30 credit hours for a masters degree which is not the terminal degree in the field of study, there would be considerable amounts of faculty time free for more instruction without new positions.
- an amount based on norms for total lower division, upper division and graduate student credit hours, based on the 1984 UAF study of Florida and Maryland, considerable resources would be available in each campus budget.

--Flexibility in rates for Smokers and Nonsmokers - Private insurance companies now offer substantial (25-35%)

differentials in premiums for term life insurance and medical insurance for nonsmokers. The university could fund the term insurance and medical premiums at the nonsmokers level, allowing smokers to pay a supplemental premium if they wish the same dollar benefits as the nonsmoker.

--Adopt the cafeteria benefit plan in which each employee may tailor the plan to his/her individual needs. At the moment, some employees receive benefits they don't want - e.g., term life insurance. Other employees find the benefits they need are inadequate.

--Reorganize the medical plan to emphasize preventive medicine rather than concentrate solely on treatment for illness or injury. Does it make sense not to fund "Quit Smoking" programs but pay hundreds of thousands for lung cancer?

--No effective cap on medical benefits can be met until the university moves toward some kind of health maintenance organization core.

--The university should consider enlarging its own health clinics for initial diagnosis, routine lab testing or preventive care such as annual check-ups. --Control and Design the Master Policy with Aetna. The university MUST employ someone whose job it is to monitor and shape the master policy. No one can really tell you what the university wants or is trying to offer its employee.

--Reduction of administrative personnel contracts from 12 month contracts to nine month contracts with reduction in leave benefits as a consequence. --A sharp refocus of the summer program to attract "Lower 48" students and professors. NEH programs for high school teachers and NEH seminars run by Arctic experts on history, Native culture, and environmental concerns might be coupled with field trips throughout the state to create programs which attract Lower 48 secondary school teachers and professors to Alaska for the summer months.

--Increased use of statewide television as a means for delivery of courses to Alaska's villages and towns with a reduction in unnecessary faculty duplication.

--Inducements to early resignations. These might range from lowering retirement to 15 years (with adjustments to the early retirement system or with credit added for an additional five years at some modest salary range) to other inducements including travel paid to depart the state and one year severance pay for junior faculty.

--Reduction of faculty committee service with an increase in teaching and research responsibilities of faculty.

--Lease of campus space during weekends and summer periods to non-university associations.

--Reduction in the academic year through reduction of holiday periods.

--Reduction in middle management positions on assumption of teaching responsibilities by middle management.

--Increased use of adjunct teachers in lieu of new full-time hires.

Re-evaluate the university's leave policy. The following suggestion:

Length of Service	Annual	Current Sick	Month	Total Combined	Proposed Leave
1-5 years	12	10		22	16/month
5-10 years	14	10		24	20/month
10+ years	16	10		26	24/month

Most employees would prefer a reduction in leave benefits to a cut in salary and/or hours. Going to one type of leave (as the state did several years ago for exempt employees) would also reduce payroll and accounting costs.

--Employee Fee Waiver Program - Eliminating it would save at least $500,000 statewide. If the program is continued, it could be reduced to one class per term per employee (no dependent waivers) with a satisfactory completion of prior course for continued eligibility. (Many employees drop their courses or change them to audit.)

--Statewide Student Information System - Cancel this project and allocate remaining funds to the individual campuses to set up their own systems. It should be obvious by now that agreement will never be reached on a statewide system that would meet the needs of such a diverse group while remaining sensitive to individual concerns and differences.

--University Fee Structure: All University of Alaska students should pay the same charge ($35) per credit hour, particularly since the instructional costs at the smaller units are roughly twice that of the four year schools.

--XCED: While the FTE faculty has remained at ten, the FTE students has declined from 113 in 1981 to 50 in 1985. I find it hard to justify continuation of this high-cost program.

--Eliminate the University-paid Pension program. It is no more than a "giveaway" to many employees. With a separate retirement system and the potential for several "private" pension plans (IRAs and TRAs), employees have no right to expect a benefit program of this size.

--The University should end its housing subsidy to "APT" employees. With the rental market across the state in a decline, prices are dropping quickly, particularly in Fairbanks. Professional employees should be forced to pay the going rate for University-owned housing, including the cost of utilities. --If the University is truly concerned about providing "low cost" housing to attract out-of-state instructors or researchers, it should consider providing a limited subsidy, but for no more than one year.

--The University should sell the Yak Estates property or lease it to a private developer or property manager.

--Secretarial "pool" should be established to provide services now conducted by personal secretaries.

--If staff reductions are required, they should be shared equally by professional and classified employees.

--Charge each employee $1,200 per year for the benefits package which we enjoy. The $1,200 could be deducted in equal installments over the employee's contract period. Such payments by the employees of the university would save nearly $4,000,000.

--I recommend that the university furnish only $50.000 life insurance on each employee and drop the two times salary life insurance programs. An option should be made available for employees.

--Many, if not all, professional meetings include a registration fee. That registration fee usually covers one or more meals per day of a meeting or conference. I recommend that we use the travel approval system to also cover registration fees and that the appropriate amount for each lunch or dinner furnished as part of the registration fee be deducted from the employee's per diem rate.

--Use of university automobiles for personal use - many of the university's employees are furnished with automobiles which are used for commuting and other personal use. Such use increases the university's auto liability exposure and negatively impacts the public's opinion of whether we are really suffering from a shortage of operating funds.

--Persons on the staff with a professional designation, (e.g., CPA) pay for their own continuing professional education.

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